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Daily Report

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Daily Report

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Grachev on Plans for Russian Army Organization

KRASNAYA ZVEZDA publishes a "discourse" by Russian Defense Minister Pavel Grachev on the formation of the Russian Army. Grachev says that military organizational development has "entered the phase of practical measures" after much discussion and that a conceptual plan "will shortly be submitted to the president and the Supreme Soviet for ratification."

According to the defense minister "we proceeded on the premise that at least four interconnected tasks must currently be resolved virtually simultaneously: 1. The creation of the Armed Forces; 2. The withdrawal of all our troops back to Russian territory; 3. Considerable cuts in the Army and Navy; and 4. The reform of the Russian Armed Forces."

It would be necessary, however, "to resolve these tasks in stages." The first stage is to be completed in 1992, the second in 1995. Regarding the structure of the Armed Forces: "Through 1995 we plan to mainly retain the current structure in terms of branches of the Armed Forces and the command and control system."

Also, "it is planned to reduce the total strength of the Russian Armed Forces to 1.5 million servicemen," and "in view of the organizational measures to reform the Armed Forces implemented in the period 1 January 1992 to the present day and the cuts, the numerical strength of Russian Defense Ministry management organs will drop by 27 percent."

Accord Signed To End Dniester Conflict

Moscow Radio reports that on 21 July the Russian and Moldovan presidents signed an agreement for a peaceful solution of the Dniester conflict based on the following principles: "Respect for the sovereignty, independence, and territorial integrity of the Republic of Moldova; strict observance of human rights, including the rights of people belonging to national minorities; the definition by political methods, including by parliamentary means, of the special status of the left bank of the Dniester region within the composition of the Republic of Moldova; giving the population of the left bank of the Dniester region the right to determine their future for themselves in the event of a change to the state status of the Republic of Moldova; and the exclusion of any actions by any side which could hinder a settlement to the conflict by peaceful political means."

INTERFAX notes that Moldovan President Snegur said measures to stop the conflict are to be introduced "in the eastern regions of Moldova by the end of this week." President Yeltsin told an INTERFAX reporter that "the agreement is evidence that machinery for the urgent resolution of the most extreme conflicts has been created. 'The first such agreement, with Eduard Shevardnadze, is being fulfilled to the letter.' 'Snegur and I agreed to do the same where Moldova is concerned. We are certain that using this model will enable us to bring about a political solution here and begin intense negotiations with those representatives of the Moldovan Republic who helped make this agreement.'" ITAR-TASS reports that clashes continue in the region.

Ship Leaves Crimean Naval Base for Odessa

UKRINFORM reports that "an escort ship under command of Senior Lieutenant Sergey Nastenka sailed without permission from the Crimean naval base of Donuzlav, heading for Odessa, having hoisted the state flag of Ukraine." "The ship, belonging to the Crimean naval base, left Donuzlav under the pretext of training for the parade dedicated to the Navy Day," according to ITAR-TASS, which adds: "Acting Black Sea Fleet Commander Vitaliy Larionov ordered to intercept the ship. Warships and planes were dispatched to fulfil the task." The Black Sea Fleet's press center informed INTERFAX that "talks have continued today between the fleet's command and the Ukrainian Navy on the coast guard ship which left of its own accord its base for Odessa 'to pass into Ukraine's jurisdiction'."

New Lithuanian Prime Minister Appointed

ITAR-TASS reports that Aleksandras Abisala was appointed Lithuanian prime minister by the republican parliament on 21 July. In an address to the Lithuanian parliament, Abisala stated: "We have one goal: to stabilize the situation; to assign, as soon as possible, a new government which can begin to act; and to attempt to find a common language, both among ourselves and with the government." BALTFAX reports that Abisala stated that his "major goal is to make reform go its way without sweeping turns". "The main objective of the new government is to provide stability and prevent the economic and financial situation from worsening, and reform from slowing down". "Speaking on Lithuania's foreign policy, Aleksandras Abisala said that it is the East that will be given the major priority." Vilnius Radio reports that "Abisala noted that his office will consult with various political forces."

Russian-Tajik Treaty Initialed

Radio Rossii reports that "a treaty on the principles of bilateral relations between Russia and Tajikistan was initialed on 21 July." "Russian Vice Premier Aleksandr Shokhin, who headed the Russian delegation, stated at a press conference following the ceremony that the sides expressed satisfaction with the accords reached on a whole package of military-political, economic, and humanitarian issues, even though they did admit that dialogue on some of them was proceeding with difficulty." Shokhin further stated that "Russia regards relations with Tajikistan as one of the priority directions of its foreign political activities."

It was further reported that an agreement was reached between Shokhin and Tajikistan President Rakhmon Nabyev in which it was decided that "Russia will take the border troops of the Commonwealth of Independent States stationed in Tajikistan under its jurisdiction." "This agreement is a result of the fact that Tajikistan itself is not in a position to resolve the problem of bringing the staff and border detachments up to strength and ensuring their material and technical provision."

EC Parliament Chairman Begins CIS Visit

Arrives in Minsk

LD1707213192 Moscow ITAR-TASS in English
1902 GMT 17 Jul 92

[By BELTA correspondent Larisa Lazar for TASS]

[Text] Minsk July 17 TASS—Egon Klepsch, chairman of the European Parliament, arrived in the Byelorussian capital late on Friday [17 July] to discuss economic and legal transformations in the Commonwealth and a long-term agreement on European security.

He will meet Byelorussian Parliament Speaker Stanislav Shushkevich on Saturday, will visit the Minsk headquarters of the working group of CIS heads of state and government and will meet diplomatic envoys of EC member-states.

Meets Russia's Khasbulatov

LD2107025692 Moscow Radio Rossii Network
in Russian 1200 GMT 20 Jul 92

[Text] A meeting took place in Moscow today between Russian Supreme Soviet Chairman Ruslan Khasbulatov and the chairman of the European Parliament, Egon Klepsch. During the meeting, the speaker of the Russian parliament expressed interest in using the experience of united Europe in Russia's relations with the CIS countries. Besides experience of interaction between the European Parliament and the national parliaments, Khasbulatov said, the Supreme Soviet of the Russian Federation attaches importance to cooperation in the context of fulfilling the Declaration of Human Rights—specifically in relation to people living not only in Russia but also in other CIS countries. The official schedule of Egon Klepsch's Moscow visit includes meetings with Russian Vice President Aleksandr Rutskoy, the leadership of the Foreign Ministry, the Moscow government, and representatives of the Russian Union of Industrialists and Entrepreneurs. From Moscow, the parliament delegation will go on to Kiev.

Meets Industrialist Union

LD2107195192 Moscow Russian Television Network
in Russian 1000 GMT 21 Jul 92

[From the "Vesti" newscast]

[Text] Chairman of the European Parliament Egon Klepsch met Arkadiy Volskiy, chairman of the Russian Union of Industrialists, in Moscow today. Assessing the deteriorating economic situation in Russia, Volskiy said that one of the main causes is disruption to economic links between the former Soviet republics. The forecast for the rest of the year is still less optimistic. In the current situation, demands for a change of government

are wrong, said Volskiy, because in our country high-level reshuffles only lead to further chaos and disintegration. The Union of Industrialists, which mainly represents managers of major Russian enterprises and the military-industrial complex, is not trying to oppose the government; on the contrary, it wants to work with the government. One of the Union's main principles is strong governance during the reform period. Our proposals on economic reform are not meant to supplant the government program but to complement it, Volskiy said.

The guests from abroad agreed that the changes in Russia should have their own specific features but issued a reminder on the need for democratic supervision of a strong executive power.

Comments on Economic Cooperation

LD2107194492 Moscow ITAR-TASS in English
1501 GMT 21 Jul 92

[Text] Moscow July 21 TASS—We are convinced that the European Community and the Commonwealth of Independent States should be good partners in the joint construction of relations on the continent and in the world economy, provided the cooperation develops on an equal basis, visiting Chairman of the European Parliament, Egon Klepsch, said on Tuesday [21 July] during a meeting with the President of the Russian Union of Industrialists and Entrepreneurs, Arkadiy Volskiy.

The EC delegation arrived at the invitation of Byelorussian, Russian and Ukrainian parliaments. According to Klepsch, the main purpose of the visit is to get acquainted with the real situation in these countries, the progress of reforms and prospects for cooperation.

During the talks, the chairman of the European Parliament said that the EC had already taken a number of measures to promote the stabilisation of the situation in CIS countries, the development of cooperation with Central and Eastern Europe.

A treaty will be signed at the end of the year which will become a legal basis for the relations between the sides, Klepsch said.

A decision to open an international scientific and technological centre in Moscow was adopted, he added.

Commentary on Israel's 'Dovish Government'

LD1907224692 Moscow Radio Moscow in Arabic
1500 GMT 17 Jul 92

[Commentary by Aleksandr Mikhailov]

[Text] The news agencies describe the new Israeli Government, which was announced last week, as the most dovish government in the history of Israel. It is headed by the well-known hawk Yitzhaq Rabin.

The noise of the electoral slogans addressed to the public has calmed down, and the time for tangible action has

come. It seems that the Israeli Government intends to show that these slogans were not merely propaganda.

What brings this inference about is one of the first moves by the government. Construction and Housing Minister Binyamin Ben-Eli'ezer announced yesterday the freezing of the construction contracts of 3,600 houses for Jewish settlers in the occupied territories.

Undoubtedly this is an important and positive step if we take into consideration the fact that the settlement program was one of the largest stumbling blocks in the Arab-Israel negotiations, and it became the reason for the noticeable deterioration of relations between Washington and Tel Aviv.

Perhaps the Israeli Government's resolution has become one of the factors which made it possible for the head of the Egyptian president's press office to announce the possibility of holding an Egyptian-Israeli summit soon. Cairo's AL-AHRAM said today that the summit would be held by the end of the coming week. It is expected that the summit will discuss the horizons of the peace process in the Middle East; the means to solve the Palestinian problem; and the problems related to the withdrawal of Israeli forces from the occupied Arab territories.

The head of the Egyptian president's press office said: The direction of Rabin's government policy has created a suitable atmosphere for the bilateral summit.

It seems that Jordan and Syria—the other two participants in the Arab-Israeli dialogue—are also showing serious interest in the horizons of continuing that dialogue. This interest follows a period of confusion caused by the change in the Israeli leadership. Yesterday a meeting took place in Damascus between President Hafiz al-Asad and King Husayn, in which the ambassadors of the two countries and their foreign ministers participated. At the meeting they discussed the Syrian and Jordanian stances on the eve of the new Middle East tour by U.S. Secretary of State Baker.

Also the representatives of the Palestinian side have repeatedly announced their intention to activate the negotiations process.

It can be assumed that James Baker will also be very active during his coming tour of the region because the success of that tour could become a new trump card in the elections battle of the current U.S. Administration.

In this way, a very favorable condition for achieving realistic results in the case of the Middle East settlement is created. In spite of the fact that the great difference between their positions remains, the concerned parties should not waste this opportunity.

Ship Sails 'Without Permission' to Odessa

LD2107172792 Kiev UKRINFORM in Ukrainian
1144 GMT 21 Jul 92

[By UKRINFORM correspondents M. Stetsyuk and M. Savchenko]

[Text] Sevastopol, 21 July—At 0856 today, an escort ship under command of Senior Lieutenant Sergey Nastenکو sailed without permission from the Crimean naval base of Donuzlav, heading for Odessa, having hoisted the state flag of Ukraine. Captain Second Rank Mykola Zhybarev, chief of staff of the naval brigade of the region, is staying on board. The crew swore allegiance to the people of Ukraine in January 1992. The sailors explain their act by the intolerability of further service in the conditions of constant humiliation and persecution on the part of the command of the brigade and the fleet and the unsolved issue of practical division and creation of naval forces of Ukraine.

The escort ship is followed by a small antisubmarine ship, headed by Captain Third Rank Oleksandr Dolgov, and a hydrofoil.

The command of the Naval Forces of Ukraine does not approve of such acts, which destabilize the current difficult situation, and calls on the heads of the delegations at the negotiations on the Black Sea Fleet to accelerate the solution of the most important decision, reports the press service of the organizational group of the Naval Forces of Ukraine.

No sooner was this information prepared than a new report from the press service of the organizational group of the Naval Forces of Ukraine arrived. The escort ship "Bezukoriznennyi" left the command base of the Black Sea Fleet. Its task is to land an armed group and to seize the ship, which is on its way to Odessa. The command of the Naval Forces of Ukraine protests against forcible measures; it demands that such measures not be used and that all the questions be resolved by peaceful means after arrival of the ship in Odessa.

'Hijack' Attempt Detailed

LD2107125892 Moscow ITAR-TASS in English
1248 GMT 21 Jul 92

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow July 21 TASS—An attempt to hijack an escort ship of the Black Sea Fleet to the Ukrainian port of Odessa was undertaken on Tuesday [21 July] in the port of Donuzlav, TASS learned from the CIS Navy press centre.

The ship, belonging to the Crimean naval base, left Donuzlav under the pretext of training for the parade dedicated to the Navy Day, and sailed towards Odessa. The Ukrainian flag was hoisted over it. The ship did not respond to requests from shore.

Acting Black Sea Fleet Commander Vitaliy Larionov ordered to intercept the ship. Warships and planes were dispatched to fulfil the task.

Upon agreement with the Ukrainian Defence Ministry a naval border guard T-12 plane was dispatched to the area and established visual and radio contact with the ship. Orders of the Black Sea Fleet commander and the Ukrainian defence minister demanding the ship to return back were permanently transmitted to the escapee.

At present negotiations are being held on the future of the ship.

Sergey Nastenکو, a Ukrainian, was appointed commander of the ship last September. However, the CIS Navy press centre believes it was chief of staff of the naval brigade of the region Zhivarev who organised the hijack, as he was the senior officer onboard the ship at the moment. A representative of the Ukrainian Navy and former commander of the naval brigade is also staying onboard. Part of the crew refused to take Ukrainian oath of loyalty, according to the press centre.

The "Bezukoriznennyi" missile motor-boat was dispatched from Sevastopol with an assault group onboard to seize the ship.

The Ukrainian Navy command protested against a possible violence and demanded to solve the issue by peaceful means when the ship arrives in Odessa, according to the Ukrainian Navy press centre.

A joint Russian-Ukrainian commission was created to settle the incident. It includes representatives of the defence ministries of the two countries.

Negotiations are being held with the commander of the hijacked ship, TASS learned from the CIS Navy press centre.

Several other warships of the Black Sea Fleet joined the chase of the export ship which fled from its port of call bound for Odessa with the Ukrainian flag atop the mast.

A missile cruiser and a hovercraft were the first to be dispatched to intercept the new "Battleship Potyomkin", the CIS navy press centre told TASS.

It is not yet clear whether the ship will be allowed to dock in Odessa or will be returned to Sevastopol.

Ukrainian Naval Commander Boris Kozhin denounced the actions of the ship's commander and the crew. The change of the flag is the initiative of those people who serve on the ship, he told the Sevastopol Radio on Tuesday. It is necessary to sit down at the table of negotiations and settle everything quietly, according to the rear admiral.

Black Sea Fleet warships sent to chase the rebel ship which fled its base in Sevastopol caught up with it ten miles away from the port of Odessa.

At 17.00 hours the renegade ship anchored near Odessa. Talks are being held with the crew, according to Ukrainian Defence Ministry.

Talks on 'Incident' Begin

OW2207110392 Moscow INTERFAX in English
1006 GMT 22 Jul 92

[Transmitted via KYODO]

[Text] As INTERFAX has been informed by the Black Sea Fleet's press-centre in Sevastopol, talks have continued today between the fleet's command and the Ukrainian Navy on the coast guard ship which left of its own accord its base for Odessa "to pass into Ukraine's jurisdiction".

The talks are being conducted by the Vice-Admiral Vitaliy Larionov and the Commander of the Ukrainian Navy Boris Kozhin. According to the press-centre no results have been achieved by the sides.

Later today the Commander of the Black Sea Fleet Admiral Igor Kasatonov will hold a press-conference in Sevastopol on the incident.

Fleet Commander Warns Ukraine

OW2207132792 Moscow INTERFAX in English
1247 GMT 22 Jul 92

[Transmitted via KYODO]

[Text] The commander of the Black Sea Fleet Igor Kasatonov has accused the Ukrainian side of unilateral attempts to take possession of the fleet circumventing the Dagomys agreements. In a statement issued in Sevastopol on Wednesday he protests that the Ukrainian Navy has resorted to the practice of "snatching ships from the fleet" and swearing in their crews to Ukraine's allegiance. The promises by the commander of the Ukrainian Navy Boris Kozhin to stabilize the situation remain "empty words".

The recent run of a coastal guard ship from its base to Odessa has caused an outrage throughout the fleet, states I. Kasatonov. The commanders of its 22 units demand resolute measures against that unilateral appropriation. Such acts by the Ukrainian side may be countered by a practical realization of the decision by the coordinating council of the Black Sea Fleet's officers assemblies on turning it into a Russian fleet and raising its traditional St. Andrew's flag.

I. Kasatonov has called on the personnel of the Black Sea Fleet to keep calm and self-control. He warned, though, that he is going to take "resolute and adequate measures" to stabilize the situation.

Ukrainian Commander Comments

LD2207124292 Moscow ITAR-TASS in English
1218 GMT 22 Jul 92

[By ITAR-TASS correspondent Efim Shvartsman]

[Text] Odessa July 22 TASS—Ukrainian Navy Commander Boris Kozhin believes the rebel ship of the Black Sea Fleet which escaped on Tuesday [21 July] from its CIS base in Sevastopol to Odessa should be included in the Ukrainian Navy, TASS learned from a telephone conversation with the rear admiral on Wednesday.

The situation on the rebel ship which hoisted the Ukrainian blue and yellow flag is normal. The crew is expected to meet reporters in the afternoon.

While a joint Russian-Ukrainian Commission is discussing the incident, residents of Odessa fear that their city was not chosen by chance by the runaway ship, which they call "the Battleship Potyomkin Number 2". Kozhin intends to create a Ukrainian Naval Base in the city, according to widely spread rumours. If this happens the base will stand in the way of a free trade zone planned for Odessa, residents fear.

ITAR-TASS Carries Press Review for 21 Jul

LD2107071392 Moscow ITAR-TASS in English
0655 GMT 21 Jul 92

["Press Review"—ITAR-TASS headline]

[Text] Moscow July 21 TASS—Today's newspapers focus on the social and economic situation in Russia and carry reports from South Ossetia and other trouble spots in the Commonwealth of Independent States.

The newspaper NEZAVISIMAYA GAZETA devotes its front-page articles to the situation in agriculture following farmer's refusal to sell grain at low prices.

"Now that the state has refused to write off multi-billion debts of agricultural producers, many agricultural generals see super-high prices for grain as the only way to cover their former debts and live comfortably one more year," the newspaper said.

The trade union daily TRUD publishes a report about Russian Vice-President Aleksandr Rutskoy's meeting with agricultural trade union leaders. "We have information that some farms refuse to sell grain and it is rotting in barnyards. There is neither equipment to dry nor place to keep it," Rutskoy said. Agricultural production has dropped by 27 per cent. To restore it, the country will need at least six years, Rutskoy said.

The vice-president said there is still no clear-cut and well thought-out anti-crisis programme and warned that attempts to regulate reforms may bring the country back to "the ill-remembered system of food surplus requisitioning."

The youth daily KOMSOMOLSKAYA PRAVDA publishes an interview with economist Sergey Vasilyev, one of the designers of the radical economic reform plan in Russia.

Vasilyev said the decision to continue state subsidies, including to import food, and regulate prices for some goods have nothing to do with defending the interests of lower-income families. Subsidies allow manufacturers to keep their prices high. It would be more reasonable to use these funds to increase compensations to people, Vasilyev said.

Newspapers give extensive coverage to the Russian parliament's decision to change the status of the independent daily IZVESTIYA by making it an organ of the soviets of Russian people's deputies. "We do not see any grounds for changing our status," first deputy IZVESTIYA editor-in-chief Andrey Druzenko said.

"Someone needs to neutralise the mass media, which can influence the public opinion," Druzenko said. The Russian Ministry of the Press has decided to file an appeal with the Constitutional Court against the parliament's decision, NEZAVISIMAYA GAZETA and KOMSOMOLSKAYA PRAVDA said.

The military daily KRASNAYA ZVEZDA offers an interview with Russian Defence Minister Pavel Grachev, where he speaks about the present and future of the Russian Armed Forces.

Newspapers focus on the ASEAN foreign ministers conference opening in Manila on Tuesday. The conference is expected to be attended by Russian Foreign Minister Andrey Kozyrev, who said Russia will not stay away from the processes going on in the Asia-Pacific region and will actively participate in these processes.

Newspapers also carry reports about the situation in South Ossetia and other trouble spots in the Commonwealth of Independent States.

Press Review for 22 Jul

LD2207053692 Moscow ITAR-TASS in English
0507 GMT 22 Jul 92

["Russian Press Review"—ITAR-TASS headline]

[Text] Moscow July 22 ITAR-TASS—Today's newspapers lead with reports from the Trans-Dniester area. "On both sides of the river" is the title under which the ROSSIYSKAYA GAZETA newspaper carries ITAR-TASS correspondent Valeriy Demidetskiy's exclusive account about the situation in the conflict zone, which stresses that dialogue between Moldova and Russia has a decisive role to play in the peaceful settlement of the conflict.

The KRASNAYA ZVEZDA (RED STAR) newspaper comments on the latest rapprochement between Russia and Byelarus, including in the military sphere. The newspaper bases its optimism on the three documents concerning defence problems which were signed between Russia and Byelarus in Moscow on July 20: an agreement on the coordination of activities in the military field, an agreement on strategic forces temporarily deployed on Byelarusian territory and an agreement on principles of mutual technical and material supplies to their armed forces.

NEZAVISIMAYA GAZETA publishes Eduard Samoilov's essay devoted to Mikhail Gorbachev. The author hails Gorbachev's outstanding contribution to overcoming all vestiges of fascism. "Gorbachev inherited the 'most refined' fascist regime of all known to history," Samoilov points out. "There are few, if any, people in modern history whose spiritual make-up and practical activity so graphically, triumphantly and dramatically symbolized and embodied the spirit of the time, its main tendency to overcome fascism. Gorbachev's enigma and the 'grandiose feat' he accomplished can only be fully understood if we realize the fascist nature of the system called 'developed socialism' and the scale and the destructive consequences of its uncontrolled collapse. [no closing quotation marks as received] Samoilov believes that Gorbachev's activity and its results amount to the "routing of the most powerful fascist empire" accomplished from within. It cannot be explained either proceeding from mankind's political experience or through the prism of the latest political science approaches.

ROSSIYSKAYA GAZETA carries excerpts from a conversation between Russian parliament chairman, Ruslan Khasbulatov, chairman of the All-Russia Teleradio Company Oleg Poptsov and the newspaper's Chief Editor Valentin Logunov. "We are advancing towards a market system and not towards military communism," the newspaper stresses.

"A free society needs no state intervention", according to a leader of the Chilean "economic miracle". In an interview published in NEZAVISIMAYA GAZETA he says that "the market naturally operates on the demand-supply basis. If the state intervenes it ceases to be free. But the transition to a market economy should be regulated. The state must act as a tough regulator to prevent abuse at different levels of power."

KRASNAYA ZVEZDA carries an article about General Aleksandr Lebed, the commander of Russia's Fourteenth Army deployed in the Trans-Dniester region. "A proud man, fully aware of his responsibilities. Much is being written about him. Views differ. But one thing is in common: All wish him to live up to expectations", the newspaper stresses.

All newspapers publish international economic news and reports from Yugoslavia and the Middle East.

International Affairs

Yeltsin, Snegur on Dniester Peace Agreement

LD2107212292 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1700 GMT 21 Jul 92

[From the "Novosti" newscast]

[Text] [Announcer] The long awaited agreement on the principles of a peace settlement in the Dniester region was signed two hours ago. Its principles are similar to those which reestablished peace in South Ossetia. We know that a delegation of the Dniester region flew to Moscow to take part in the talks. Did the third side take part in the talks this time?

[V. Perfilyev] It is possible that historians will have to come back to this video document on more than one occasion. Mircea Snegur, president of Moldova, and Igor Smirnov, leader of the Dniester region, are taking a step to meet each other now. We can inform you that this took place after Boris Yeltsin and Mircea Snegur had signed the agreement on the principles of a peaceful settlement of the armed conflict in the Dniester region in the Republic of Moldova. The basic principles of this agreement are the territorial integrity of the republic, the inviolability of borders, and protection of human rights.

[Begin recording] [Yeltsin] I am sure that they are not just making an attempt but that they will succeed in bringing peace there. That is, first they will withdraw the military formations creating a corridor; create the joint commission; create an armed group of representatives of Russia, Moldova, and observers from other countries; and accordingly, subsequently introduce the questions of the negotiating process, together with representatives of the Dniester region who have taken part here. The parliament of Moldova will, evidently, review the question of the status of the Dniester region.

[Snegur] What can be better than the onset of peace? As is written in the agreement, I am going to begin work immediately on the question of implementing this agreement. I think that one can regard this day and what has been signed here in the Kremlin as an important step toward the beginning of peace in Moldova. [end recording]

[Announcer] Meanwhile, the cease-fire which has been declared is being observed in all areas, with the exception, again, of the town of Bender; judging by reports from Chisinau and Tiraspol, there has been shooting there. Perhaps the mysterious third force which, as both sides assert, is doing the shooting will become more humane with the signing of the agreement. Otherwise, it will surely be easy to catch this invisible force with the agreement of both sides.

'Official Communique' Signed

LD2107175192 Moscow Mayak Radio Network
in Russian 1700 GMT 21 Jul 92

[Text] The Russian Federation president and the Republic of Moldova president, in line with a mutual accord, held a meeting in Moscow today in order to work out a complex of measures to halt the armed conflict in the Dniester regions of the Republic of Moldova and to attain a just political settlement to it. They are unanimous, says the official communique, in that a solution to this problem is possible only by peaceful means, on the basis of talks in accordance with universally recognized norms of international law, the statutes of the UN Charter, and accords of the CSCE.

The presidents agreed that halting the conflict and attaining a political settlement will be based on the observance, by all the interested sides, of the following main principles: Respect for the sovereignty, independence, and territorial integrity of the Republic of Moldova; strict observance of human rights, including the rights of people belonging to national minorities; the definition by political methods, including by parliamentary means, of the special status of the left bank of the Dniester region within the composition of the Republic of Moldova; giving the population of the left bank of the Dniester region the right to determine their future for themselves in the event of a change to the state status of the Republic of Moldova; and the exclusion of any actions by any side which could hinder a settlement to the conflict by peaceful political means.

The Russian Federation is ready to assist by political methods in the implementation of all of the aforementioned principles. The Russian Federation expresses readiness, together with the other sides taking part in a settlement, to undertake measures to create conditions for the return of refugees to the places of their permanent abode.

The sides signed an agreement on the principles of a peaceful settlement to the armed conflict in the Dniester region in the Republic of Moldova. The presidents agreed to instruct expert groups to work out concrete measures on all aspects of a settlement. Such groups will begin work immediately. The presidents confirmed their firm intention to act in a spirit of goodwill, mutual trust, and cooperation in settling the Dniester problem and developing relations between the two countries.

The Russian Federation president expressed the hope that the Republic of Moldova will in the near future find it possible to become a participant, enjoying full rights, in the Commonwealth of Independent States.

President Snegur expressed the conviction that a most rapid ratification, by the Russian Federation Supreme Soviet, of the treaty on principles of interstate relations between the two countries, would facilitate all-around development of friendly relations between the Republics of Moldova and the Russian Federation.

Representatives of the Dniester region took part in the meeting.

Officials Cited on Agreement

LD2107214292 Moscow Radio Rossii Network
in Russian 1800 GMT 21 Jul 92

[Excerpts] Today in the Kremlin, Russian President Boris Yeltsin held a number of official meetings. Our special correspondent Andrey Zenkov reports.

[Zenkov] First, what could be seen at the presidential apartments was the movement of red stripes on generals' uniforms. [passage omitted] The Russian Federation armed forces military district commanders looked splendid. Next to them, the heads of Russian kray and oblast administrative officers faded by comparison and not just because they did not wear red stripes. The closed meeting, even in a polite report of the president's press office representatives, was turbulent. In the focus of attention was the acute issue of the housing which the state—that is in fact krays and oblasts—owe to servicemen.

The regiments arriving from neighboring and remote countries find a somewhat chilly welcome in most areas. Women working at the local cloth mill are not thrilled when the discharged soldiers obtain apartments, jumping long waiting lists which have run for years.

That is wrong, the president said. It is wrong to divide the country's citizens into us, civilians, and servicemen who are strangers. He threatened the current governors with strict measures if any further distribution of housing to servicemen is sabotaged.

There will be increasingly more needy servicemen every year, Yeltsin said, because of cuts and because of the arrival of troops from adjacent territories. Incidentally, it is possible that very soon the men of the 14th Army will be home looking for housing.

In the evening, the presidents of Russia and Moldova signed agreements on principles of the peace settlement of the armed conflict in the Dniester region of the Republic of Moldova. It says, inter alia, that left bank residents have the right to determine their own future if there is a change in the state status of the Republic of Moldova. The agreement was modeled on the principle at the basis of the settlement of the Ossetian conflict. Like Mircea Snegur, Boris Yeltsin is convinced that the same principle will work in the case of the Dniester conflict.

[Begin Yeltsin recording] In other words, first the military formations must be withdrawn and a corridor created; a commission and an armed group of Russian, Moldovan, and other observers must then be set up. We can then discuss issues concerning the negotiating process with Dniester representatives who took part in the talks. [end recording]

[Zenkov] Igor Smirnov, president of the Moldovan Dniester republic, who represented the Dniester region, did not agree with this. Our conflict is not of an ethnic

nature, Smirnov said to journalists, and we object to item four in the agreement, which determines deadlines for the withdrawal of the 14th Army. The Army must stay there, he said. Generally, however, Smirnov described the signing of the agreement as an opportunity to stop the bloodshed. That is the main thing today, he said. And it is difficult to disagree with him.

Dniester Leader Comments

LD2107183792 Moscow ITAR-TASS in English
1818 GMT 21 Jul 92

[By ITAR-TASS correspondent Roman Zadunaitskiy]

[Text] Moscow July 21 TASS—We do not agree to a clause of the agreement on the principles of peaceful settlement in the Dniester Region, signed on Tuesday [21 July] by Presidents of Russia and Moldova, which deals with the coordination of terms of the withdrawal of the 14th Army. Igor Smirnov, leader of the Dniester Region, told journalists on Tuesday.

He noted that Dniester leaders had often cautioned against the transfer of weapons to the 14th Army, which might lead to the escalation of the conflict, which actually occurred.

"We believe until the situation stabilises, the 14th Army should do its duty and protect the people," Smirnov said.

At the same time he positively assessed the agreement on the settlement of the conflict, which envisages the establishment of a control commission, tripartite peace-keeping force in the area and other measures to stabilise the situation.

"Russia is acting as a guarantor of the process, and we are grateful to its leaders," Smirnov pointed out.

When asked why Romania is not taking part in the settlement, Smirnov said it was not clear why Romania had been involved in the process altogether. "We invited Ukraine to become a guarantor and we do not understand why Ukraine rejected our proposal," Smirnov said.

"We invite any CIS state to participate in the process, but not Romania," Smirnov pointed out.

Smirnov said Moldova made concessions and signed the agreement on the settlement of the conflict after a period of tough policy because its leaders admitted that their previous course was wrong, since "it leads to an impasse and nowhere else," Smirnov said.

Measures To Begin End of Week

OW2107204292 Moscow INTERFAX in English
2009 GMT 21 Jul 92

[Transmitted via KYODO]

[Text] Measures to stop the conflict are to be introduced in the eastern regions of Moldova by the end of this week, President Mircea Snegur declared on Tuesday [21

July] in Chisinau. He also reported that a group of Moldovan-Russian experts staying in Bender is examining the situation in an attempt to learn who constitutes that "third force" which is destabilizing the situation in the city.

Yeltsin on 'Political Solution'

OW2107213192 Moscow INTERFAX in English
2014 GMT 21 Jul 92

[Transmitted via KYODO]

[Text] Presidents Yeltsin and Snegur of Russia and Moldova signed an agreement on Tuesday [21 July] in the Kremlin concerning the peaceful settlement of the conflict in the Dniestrian region of Moldova.

The two presidents agreed that the cessation of the conflict and its political settlement would be founded on the observation of Moldova's territorial integrity, on human rights, including the rights of the national minorities, and on a politically recognised special status for Dniester.

The document guarantees the inhabitants of the Left Bank of the Dniester the right to self-determination should the sovereign status of the Republic of Moldova change.

From the moment of the agreement's signing, both sides undertake to end hostilities and withdraw their troops within seven days. A Trilateral Control Commission with its head quarters in Bender is being formed. There is also a proviso that the Russian 14th army contingents remain neutral.

Yeltsin told an Interfax reporter that the agreement is evidence that machinery for the urgent resolution of the most extreme conflicts has been created. "The first such agreement, with Eduard Shevardnadze, is being fulfilled to the letter," commented Yeltsin. "Snegur and I agreed to do the same where Moldova is concerned. We are certain that using this model will enable us to bring about a political solution here and begin intense negotiations with those representatives of the Moldovan Republic who helped make this agreement."

"We rejoice at any opportunity to stop the bloodshed," said Snegur. The president of the Dniester, Igor Smirnov, stressed that Russia's guarantees made the agreement possible. Although the contents of the document were not completely what he had hoped for, Smirnov did drink the formal champagne toast with Snegur afterwards.

Details of Agreement Noted

PM2107150392 Moscow IZVESTIYA in Russian
22 Jul 92 Morning Edition p 1

[ITAR-TASS report: "Agreement on Settlement of Dniester Region Conflict Ready for Signature"]

[Text] Russian President Boris Yeltsin and Moldovan President Mircea Snegur will sign an agreement on the

principles of peaceful settlement of the armed conflict in the Dniester Region rayons of the Republic of Moldova in the afternoon of 21 July.

The Moldovan head of state will arrive in the Russian capital for this purpose. An ITAR-TASS correspondent was told this at the Russian President's Press Service.

According to information from authoritative sources, the draft agreement was coordinated with experts from Moldova, Russia, and the Dniester Region. The document envisages the stage-by-stage withdrawal of Moldovan and Dniester Region heavy equipment and troops formations from the areas of confrontation. Security in the buffer zones to be created will be ensured by military observers and limited contingents from the sides involved in the conflict. A control commission, which will also comprise representatives of Moldova, Russia, and the Dniester Region, will be created to coordinate their activity in ensuring security in the city of Bender.

The document also incorporates a series of economic measures which will make it possible to lift the blockade, rule out any restrictions on the movement of goods, and ensure the return of refugees and the provision of assistance to them.

A Dniester Region delegation headed by Igor Smirnov flew from Tiraspol to Moscow.

According to the Dniester Region Government Press Service, the delegation "will take part in the meeting between the presidents of the Russian Federation and Moldova, during which an agreement on the peaceful settlement of the conflict in the Dniester Region will be signed."

Russian, Byelorussian Premiers on Joint Session

OW2107235092 Moscow INTERFAX in English
2005 GMT 21 Jul 92

[From the "Presidential Bulletin"; transmitted via KYODO]

[Text] Summing up at their meeting with newsmen the results of the joint session held in Moscow on Monday [20 July] by the Russian and Byelorussian Governments, Premiers Yegor Gaydar and Vyacheslav Kebich shared the view that the large package of agreements they had signed was "a step toward a kind of confederation in the CIS framework".

As IF [INTERFAX]'s correspondents Marina Chernukha and Andrey Pershin report, Russia's acting prime minister explained that the level reached in bilateral relations is higher than the scope of agreements reflected in CIS documents. According to Y. Gaydar, the very fact of a joint session held by the two governments testifies to the special quality of relations between Russia and Byelorussia. He also believes that the protocols and agreements signed in Moscow "will undoubtedly work". Besides, Y. Gaydar is confident that the documents they

signed "will serve to restore the unified socioeconomic space that used to exist between the two republics".

In an interview for IF's correspondent Y. Gaydar and V. Kebich agreed that close cooperation between the Russian Federation and Byelarus "cements the foundations of the CIS". However when asked whether the third "Slav republic" in the CIS, Ukraine, will follow their example, they evaded answer.

Experts from the two governmental delegations have said that Kazakhstan, Kyrgyzstan and other countries are also willing to follow the road where direct bilateral ties outstrip the general level of multilateral relations in the CIS and serve to form "a solid nucleus within the Commonwealth". Therefore, experts said, foundations have already been laid for a new confederation within the CIS which, "should the Commonwealth disintegrate, might become the structural basis of a new form of association for the independent states wishing to maintain a unified economic, financial, strategic and defence space as well as "transparent borders".

Russia's first deputy premier Vladimir Shumeiko has told IF that agreements similar to those concluded with Byelarus are to be signed in the near future with Kyrgyzstan and Uzbekistan with which Russia already has extensive bilateral agreements.

IF Note: 21 documents were concluded at the joint session in Moscow. Y. Gaydar and V. Kebich signed 12 agreements concerning the deliveries of products, goods, raw materials and foods; the fixing of prices for products in the framework of bilateral exchanges; taxation policy; joint participation in developing industries and in coping with the consequences of the Chernobyl accident. Russia's deputy premier Viktor Chernomyrdin and his Byelarusian counterpart Nikolay Kostikov signed a package of agreements on the deliveries of oil, petroleum products, gas and other kinds of fuel. The two transport ministers concluded a number of agreements on mutual transportations involving all types of transport. Byelarusian Defence Minister CL-General Pavel Kozlovsky and Russia's Deputy Defence Minister CL-General Viktor Dubynin signed a treaty on coordinating military activity and agreements relevant to it. Under the treaty Russia will take under its jurisdiction part of strategic troops based in Byelarus, and later place them under the command of the joint CIS armed forces.

Outcome of Talks Summarized

PM2107180392 Moscow IZVESTIYA in Russian
22 Jul 92 Morning Edition p 2

[INTERFAX report: "Gaydar and Kebich Satisfied With Talks"]

[Text] A joint session of Russian and Byelarusian Government delegations ended 20 July in Moscow with the signing of 21 documents. During an interview with journalists the acting Russian premier, Yegor Gaydar, assessed the agreements "as undoubtedly working and

serving to revive the single socioeconomic space that previously existed between the two republics."

Byelarusian Premier Vyacheslav Kebich also voiced a high opinion of the results of the meeting in Moscow with the Russian Government delegation. "We have today, effectively, established interstate relations between equal partners," he said during a news conference at the close of the talks.

Kebich considers the military agreement to be the most important of those signed.

The treaty mentioned by the head of the Byelarusian Government coordinates the sides' activity in the military sphere. Agreements have also been signed on the strategic forces stationed on Byelarusian territory.

"We succeeded in agreeing all questions on the agenda," Kebich noted. "We even found points of contact on the question of a single currency unit. If our neighbors do not force us to take any emergency steps, we will stay in the ruble zone."

During the meeting the Russian and Byelarusian Governments pledged to improve integration processes within the framework of both states' common economic space. The joint communique outlines as top priority steps the introduction of most favored nation status in order to deepen direct ties and broaden the rights and powers of the two countries' enterprises and organizations.

What is more, both republics agreed to make practical use of sanctions when suppliers groundlessly avoid concluding contracts and delivering output, and they also agreed on a number of measures to counter producers' monopolist tendencies. Russia and Byelarus also planned to continue pursuing a concerted policy in price formation and to take coordinated decisions on these issues, which concern their mutual interests.

Mutual understanding was also secured with regard to resolving matters pertaining to the elimination of the consequences of the accident at the Chernobyl nuclear electric power station.

A protocol was also signed on the results of the meeting between the Russian and Byelarusian Government delegations which envisages that interested ministries and departments from the two republics will within two weeks determine immediate steps to rectify the situation that has taken shape with shipments of specific kinds of output for 1992.

'Rapprochement' Viewed

PM2107202592 Moscow KRASNAYA ZVEZDA
in Russian 22 Jul 92 p 1

[Report by Vladimir Yermolin: "Russia and Byelarus: Marked Rapprochement in Positions. Notably in the Military Sphere"]

[Text] A protocol was signed in Moscow on 20 July which takes Russia and Byelarus into new relations. Formally interstate relations, but spiritually close to the open and confiding nature of intra-Union relations.

Yegor Gaydar, acting chairman of the Russian Government, thinks that the accords "to some extent restore the single space in which our two states' peoples live and presuppose a high level of real integration." Vyacheslav Kebich, chairman of the Republic of Byelarus Council of Ministers, pointed to the fact that equitable relations have been established between the two states. He thinks that the accords in the package of military agreements stand out in terms of their importance.

The road to the military and other agreements, however, was by no means an easy one. Back in May during the meetings in Tashkent, the Byelarusian military delegation had its own "separate opinion" on a number of issues concerning the strategic forces stationed on the republic's territory, the storage and destruction of chemical weapons, the implementation of international accords on conventional arms in Europe, and pension provision for servicemen. As the latest agreements have shown, the last two months illustrate that normal working dialogue has resumed between the two sides, including between their military departments.

The main element lies elsewhere—in the emergent trend toward rapprochement. You cannot help but notice that the "center element" was palpably present back at the meeting in Tashkent even if it did not persistently make itself felt. That is, as Colonel General Pavel Kozlovskiy, Byelarusian defense minister, pointed out at the time during a conversation with me, "some comrades in Moscow have still not lost their desire to command us." However, the Russian Defense Ministry's emergence on the international arena as an autonomous subject of talks (rather than represented via the CIS Joint Armed Forces) made the military set of accords both more objective and gave them more mutually binding responsibility. The reasons for particularly mistrustful Commonwealth partners to suspect Russia of attempting to aspire to an elite commanding role among the CIS military departments have also probably disappeared.

Three documents pertaining to defense questions were signed in Moscow on 20 July by Russia and Byelarus: a Treaty on Coordinating Activity in the Military Sphere, an Agreement on the Strategic Forces Temporarily Stationed on Byelarusian Territory, and an Agreement on the Principles for Mutual Technical and Material Backup for Their Armed Forces. All three documents form the basis for resolving a host of accumulated "border" issues—ranging from general principles to concrete, exclusively practical details.

I must not fail to mention the tremendous significance of the bilateral economic accords. Thus, a protocol, for instance, notes that within two weeks the relevant departments and ministries in the two republics are to define immediate steps to rectify the prevailing situation

concerning supplies of specific kinds of output for 1992 (the idea is to eliminate delivery shortfalls). A group of experts has been set up to prepare an agreement on a single monetary system and coordinated finance, credit, and monetary policy for the two states. Financial "knots" are, in addition, also holding up defense accords in many respects, but let us hope that these problems too will have their turn.

Gaydar Meets With Latvian Prime Minister

LD2207131792 Moscow *ITAR-TASS in English*
1249 GMT 22 Jul 92

[By *ITAR-TASS* correspondents Igor Gvritishviliy and Ivan Ivanov]

[Text] Moscow July 22 TASS—Russia and Latvia signed an agreement on mutual obligations in connection with the introduction of the Latvian currency during a meeting of Russian Acting Prime Minister Yegor Gaydar and Latvian Prime Minister Ivar Godmanis on Wednesday [22 July].

Agreements on most favoured status in trade and on the rules of payments for mutual shipments of goods are "ready in principle", Gaydar told reporters after the signing ceremony.

Both leaders said the talks were constructive.

Gaydar added the difficult time the peoples of the two countries are living through should not be used to cause disputes between Russians and Latvians.

Human rights were also in the focus of discussion at the talks, according to Russian Deputy Foreign Minister Vitaliy Churkin. The Latvian side supported the Russian initiative to create a post of the supreme commissar for the rights of minorities in the framework of the Council of Baltic States, he said.

'Satisfied' With Talks

LD2207123892 Moscow *ITAR-TASS in English*
1418 GMT 22 Jul 92

[By *ITAR-TASS* correspondents Igor Gvritishviliy and Ivan Ivanov]

[Text] Moscow July 22 TASS—Acting Russian Prime Minister Yegor Gaydar said he was satisfied by the first round of talks between Russian and Latvian officials which began in Moscow today.

Gaydar said that during one-on-one talks with his Latvian counterpart Ivar Godmanis the two agreed that documents prepared for the Monday [20 July] meeting will help put financial relations between the two countries on a civilized basis.

"We discussed a range of defence issues, connected with cooperation in the process of withdrawing troops of the former Soviet Union from Latvian territory and agreed

in principle that the process could be facilitated, conditioned on a clear definition of the status of objects which should be preserved on Latvian territory and international cooperation in financing the troops and social programmes for them. We have also agreed to instruct state delegations to continue work on this agreement, although a specific time has not been set," Gaydar said.

Kozyrev Comments on ASEAN Participation

PM2107152592 Moscow KRASNAYA ZVEZDA
in Russian 21 Jul 92 p 3

[Report by Anatoliy Ivanov: "Kamchatka To Be Not Only Russia's Outpost But Also Its Showcase, Foreign Minister Andrey Kozyrev Believes"]

[Text] "Russia will try to open up a new group of economic partners for itself from Petropavlovsk-Kamchatskiy: countries belonging to the ASEAN bloc," Russian Federation Foreign Minister Andrey Kozyrev said at a meeting with journalists, business executives, and the oblast's leaders. Indeed, it was from Kamchatka's capital that, heading a large delegation, he set off for Manila for a session of foreign ministers of ASEAN countries, where Russian officials have been invited for the first time in the entire existence of this political and economic union of Southeast Asian states.

"We will have to learn to take account not just of Russia's military-political interests but, above all, of its economic interests. The aim of our current foreign policy in the East is to forge relations with all partners and to create here the same zone of good-neighborliness and cooperation as in the West, and to start inviting big business to our country, whose investments can only help the state take the worthy place in world society that history has decreed for Russia."

Part of the foreign minister's speech was devoted to the military-political aspects of relations between states. In particular, it was stressed that for a long time Kamchatka was regarded as a military fortress, Russia's outpost in the Far East. Certainly we must not retract such views in the future, but at the same time the importance of a region with enormous economic potential must not be reduced merely to the role of an outpost, turning entire oblasts into besieged fortresses. The time has come, Kozyrev noted, to take on board the concept of closed facilities rather than closed regions.

San Diego was cited as an example—it is the largest economic center in the United States and the largest U.S. naval base on the U.S. Pacific coast. It is an open city but, the Russian foreign minister noted, the Americans have not yet lost the competition at keeping secrets. So it is time for Petropavlovsk-Kamchatskiy and its port to reach the same level: to combine in one entity an impregnable fortress and an economic showcase, especially since this does not constitute a contradiction.

The minister was asked a considerable number of questions, including rather thorny questions regarding the

South Kurils' future. He explained the Russian foreign policy department's position on the problem of territorial demarcation with Japan.

Meets SRV Minister

LD2107155992 Moscow ITAR-TASS World Service
in Russian 1235 GMT 21 Jul 92

[By ITAR-TASS correspondents Aleksandr Sokhonko and Georgiy Shmelev]

[Text] Manila, 21 July—Andrey Kozyrev, foreign minister of the Russian Federation, who is in the Philippines, had a meeting here today with Nguyen Manh Cam, foreign minister of the Socialist Republic of Vietnam. During the conversation the sides discussed a broad range of questions in bilateral relations and stressed the need to develop them on a renewed basis. An accord was reached to exchange visits before the end of the year at foreign minister level.

The leaders of the foreign policy departments of the two countries exchanged views regarding the development of the situation in Southeast Asia, and in particular surrounding the Spratly archipelago and the Paracel Islands. Nguyen Manh Cam informed Andrey Kozyrev about the process of developing Vietnamese-Chinese relations. Andrey Kozyrev raised the question of the fate of the military facility at Cam Ranh, setting out Russia's position on this issue. We believe, the minister noted, that it should not be closed. New terms for preserving the facility will, of course, be determined.

The ministers expressed concern over the delay in settling the Cambodian problem, and in connection with this, they examined the possibility of discussing it either in the UN Security Council or at a meeting of the countries participating in the Paris conference on Cambodia.

Answering questions from an ITAR-TASS correspondent at the end of the conversation, the Vietnamese foreign minister stressed that the two countries are enjoying longstanding traditionally friendly relations which cannot be disrupted. In connection with this, Vietnam attaches particular importance to Kozyrev's visit to Hanoi, he pointed out. As for the territorial rivalry for the Spratlys archipelago existing between some countries of the region, the minister continued, Vietnam has stated many times that it has sovereignty over it. However, if one is to take into account the fact that debates on the ownership of the archipelago are under way, the Socialist Republic of Vietnam is in favor of resolving this problem peacefully, through talks. Until the problem is finally settled, none of the states should take steps which may aggravate the situation in the region.

A. Kozyrev said to the ITAR-TASS correspondent that despite the fact that new realities have emerged in our countries, we should not lose what has already been achieved and done between us. In connection with this he pointed out that the sides are prepared to conduct an intensive dialogue on political and economic issues.

Notes Need for 'Trust'

LD2207090292 Moscow *ITAR-TASS World Service*
in Russian 0755 GMT 22 Jul 92

[By *ITAR-TASS* correspondents Aleksandr Bokhonko and Georgiy Shmelev]

[Text] Manila, 22 Jul—Russian Foreign Minister Andrey Kozyrev has proposed that agreements be reached on measures of trust in Asia and the Pacific and Indian Oceans. Speaking at a consultative meeting with the ministers of foreign affairs of the ASEAN countries today, he called for restrictions on the scale of naval exercises to be introduced and for them to be renounced in international waters and zones of intensive navigation and fishing. In Russia's opinion, a multilateral dialogue needs to be started now on the creation of a system for crisis settlement in the Asiatic Pacific Ocean region, aimed at preventing an increase in military tension. At the same time agreement should be reached on the formation of international naval forces to guarantee the freedom of navigation. "The time is ripe for an open, friendly conversation on the fate of the military bases—which are the legacy of an era of military confrontation," Kozyrev noted. "Of course, each country will decide here, but should we not all think about transforming these facilities into strong points for the material and technical provision of naval activity?"

The Russian minister expressed Moscow's readiness to develop military and technical cooperation with the ASEAN states, aimed at maintaining their security at a level of reasonable sufficiency. Russia is attracted to the ASEAN countries by their experience of dynamic development which bears quick and effective fruits. Russia would like to find its place in the forum of Asiatic-Pacific Ocean economic cooperation in order to combine radical reforms at home with integratory processes in the region.

"Your natural partner is the Russian Far East. Its rich natural and human resources are a guarantee of stable and long-term cooperation between the ASEAN countries, and this 'terra incognita' of Asiatic business. Russia intends to be present constructively in the Asiatic Pacific Ocean region and is prepared for an all-round dialogue with the ASEAN countries," the minister stressed in conclusion.

Meets PRC's Qian Qichen

LD2207100492 Moscow *ITAR-TASS World Service*
in Russian 0902 GMT 22 Jul 92

[By *ITAR-TASS* correspondents Aleksandr Bokhonko and Georgiy Shmelev]

[Excerpts] Manila, 22 Jul—The participants of the 25th conference of foreign ministers of the ASEAN countries, which ended here today, discussed topical questions of the economic and political development of the situation in Southeast Asia. [passage omitted] Russian Foreign Minister Andrey Kozyrev and PRC Foreign Minister

Qian Qichen were present at the conference as ASEAN guests for the first time in the history of this association.

Their meeting took place today. The heads of the two countries' foreign policy departments discussed the development of Russian-Chinese relations, Russia's and China's interaction with ASEAN, and the development of the situation in Cambodia and around the Spratly archipelago. During their conversation the ministers expressed the readiness of their countries to develop friendly relations.

The Chinese minister confirmed that Beijing is expecting an official visit by Russian President Boris Yeltsin by the end of this year. The Chinese foreign minister is due in Moscow in October to prepare the summit visit.

The sides also discussed a settlement along the Russian-Chinese border. As for the development of the situation around the Spratlys, Qian Qichen noted that Beijing is for a peaceful resolution of controversial problems and believes that it is necessary to reach a consensus immediately, if possible. If for the time being it is not possible, then cooperation among the countries involved in the dispute concerning the archipelago should be developed at this stage.

The Russian minister expressed concern that the process of a settlement in Cambodia is being delayed. In his view, it is possible to raise this issue at the UN Security Council or to warn the sides that they will be unable to count on economic assistance if the conditions of the Paris agreements fail to be fulfilled. For its part, the Chinese side reckons that raising the issue at the UN Security Council "will make solving the problem more difficult." In the current conditions, in Beijing's view, the mechanism of the Paris agreements must be put to maximal use, with an active participation of the ASEAN countries.

The invitation of the Russian foreign minister to the Manila conference bears witness to the great interest ASEAN is showing in the radical transformations under way in our country and to the significance this regional association attaches to the development of ties with the new Russia. A joint communique was adopted on the results of the two-day conference.

'Quiet Diplomacy' To Solve Talks on Kurils

OW2107164092 Moscow *INTERFAX* in English
1421 GMT 21 Jul 92

[Report by diplomatic correspondent I. Porshnev and parliamentary correspondent I. Inovel; from "Diplomatic Panorama"; transmitted via KYODO]

[Text] With reference to O. Rummyantsev's statement [that the Russian Government plans to return islands to Japan], Russia's Deputy Foreign Minister Georgiy Kunadze who is in charge of relations with Japan has told DP's [Diplomatic Panorama] correspondent that he is not in a position to comment on "incriminatory plans".

According to him, what O. Rummyantsev said about problems in relations between Russia and Japan is "an object of talks, and any talks do not belong to the pages of newspapers; they belong to the area of quiet diplomacy".

"The intimidations that the right-wing forces have snatched the initiative, that they are using nationalism and false patriotism in the pursuit of their own mercenary goals" have become frequent of late, said G. Kunadze.

As a result "the overintelligent politicians took it into their heads that they must snatch initiative from the right-wing forces and also raise the banner of patriotism".

G. Kunadze described as "paradoxical" the situation when such politicians find themselves "in one camp with nationalists and ultra-patriots" in the long run.

Russia's deputy foreign minister believes that in O. Rummyantsev's statement "the mysterious soul of Russian intellectuals is reflected in all its irrational greatness".

Russia's Deputy Foreign Minister Georgiy Kunadze will give a briefing on Wednesday, July 22, at 15:00 (1100 GMT), in the press center of his ministry, 4, Zubovskiy Blvd.

Moscow, Tokyo Differ Over 'Territorial Dispute'

OW2207134692 Moscow INTERFAX in English
1255 GMT 22 Jul 92

[Report by Igor Porshnev and others from "Diplomatic Panorama"; transmitted via KYODO]

[Text] The attitudes of Russia and Japan to most issues connected with the signing of a peace treaty coincide; they differ only as far as the territorial dispute is concerned, said Yuriy Kuznetsov, chief of the 2nd section of the Russian Foreign Ministry's Asia-Pacific department.

The session held in Tokyo recently by the bilateral working group on a peace treaty set up in 1988 "was of routine nature", he told DP's [Diplomatic Panorama] correspondent.

According to the diplomat, "no breakthroughs" were achieved at the session in Tokyo. "As far as the territorial dispute is concerned, each side adheres to its own stand".

At their meeting in Tokyo members of the working group discussed what agreements "of practical nature" could be signed during the official visit to Japan to be paid by President Boris Yeltsin in September, said Y. Kuznetsov.

The diplomat confirmed that the Russian Foreign Minister Andrey Kozyrev and his Japanese counterpart Michio Watanabe intend to exchange visits before B. Yeltsin's trip to Japan.

According to initial plans, M. Watanabe was to visit Moscow in July and A. Kozyrev was to go to Tokyo in late August. However the Japanese foreign minister's illness and the operation he had to undergo altered these plans.

Evidently the exchange of visits by the two foreign ministers will be delayed. The exact timing is to be fixed yet. M. Watanabe might come to Moscow in August, while A. Kozyrev might have to go to Tokyo just before President B. Yeltsin arrives there.

The Russian diplomat believes that the results of the elections to the upper house of Japan's parliament scheduled for July 26 might affect the time of M. Watanabe's visit to the Russian capital.

According to him, the Japanese government might be partially reshuffled in early August. "The issues connected with fixing the time for the proposed exchange of visits are not likely to be resolved before that".

Information on the briefing given by Deputy Foreign Minister Georgiy Kunadze who monitors relations with Japan will be published in IF [INTERFAX]'s news bulletin.

Kunadze Discusses Yeltsin's Japan Visit

LD2207135692 Moscow ITAR-TASS in English
1335 GMT 22 Jul 92

[By ITAR-TASS correspondents Aleksandr Mineyev and Sergey Staroselskiy]

[Text] Moscow July 22 TASS—Russia views President Boris Yeltsin's upcoming visit to Japan in September only as a step towards signing a peace treaty with Tokyo, Deputy Foreign Minister Georgiy Kunadze told a news briefing in Moscow on Monday [20 July].

Although both sides attach great importance to the visit, Russia does not think that it will complete Russian-Japanese negotiations. The visit, as everything before and after it, is an important stage in the process towards the signing of a treaty, Kunadze said.

Working groups meeting in Tokyo last week have "largely agreed" on the text of the treaty and the territorial problem—on the belonging of the Southern Kuril Islands—remains the only obstacle. The sides have finalized their positions and nothing new had been said.

Russia will sign a [words indistinct] Japan only in the framework of existing agreements and current legal, political and psychological realities, Kunadze said.

As a state basing its policy on law and justice, Russia cannot pursue an obstructionist policy and follow the road favoured by Soviet diplomacy, he said.

Russia is studying recently published Japanese proposals on ways to settle the territorial problem. Moscow reserves the right in the time left before Yeltsin's visit to table its proposals on ways to resolve the territorial dispute, Kunadze said, stressing that he is convinced it will use this right.

Kunadze appealed on representatives of Russia's political parties not to use Russian-Japanese talks as a means in domestic policy scuffles.

Russia has a stake in settling all post-war problems in the east, he said.

South Kurils Handover Termed Security Risk

PM2207145592 Moscow KRASNAYA ZVEZDA
in Russian 22 Jul 92 p 3

[Article by Major General Georgiy Mekhov: "Military Aspect of the 'Territorial Problem'"]

[Text] The problem of territorial demarcation with Japan has now become one of the most acute issues in Russia's foreign policy primarily because of Tokyo's position, which is that a complete normalization of bilateral relations is only possible if a peace treaty is concluded on Japanese terms. As is well known, this primarily means the "restoration of Japanese sovereignty over the four northern islands"—Kunashir, Iturup, Shikotan, and Habomai. Upholding this stance, Japanese politicians have lately been gambling that the situation on the territory of the former USSR and in Russia itself seems to favor the resolution of the territorial dispute in just such a way.

At the same time, an attempt is being made to "internationalize" the territorial problem. Official Japanese spokesmen are making increasingly frequent statements to the effect that the settlement of the Kurils dispute is not a bilateral problem but the "common task" of all seven industrially developed states. Tokyo managed to get the South Kurils problem included in the Munich summit political declaration.

As for Russia itself, this question is being exploited with increasing frequency in the political struggle. The economic, social, and political aspects of the problem are being widely discussed in the course of the debate that is now under way, and its military aspect has been quite inadequately analyzed, in my view.

I would like to stipulate that now that the "cold war" is a thing of the past, Russia sees no country as a potential enemy. The role of military experts is to analyze certain problems on the basis not only of today's political situation but of the objective military and geopolitical realities and to work on the basis of the worst-case scenario. This is the basis used by our Western colleagues in their analyses, incidentally.

So just what is the military-strategic importance to Russia of the Kurils—an archipelago comprising 30 large islands and a large number of small islands separating the Sea of Okhotsk and the Pacific? These islands are a most important element in the infrastructure ensuring the stability of our strategic defense in the Far East. They are the only natural barrier preventing maritime strike

groups (nuclear submarines, aircraft carriers, amphibious assault detachments, and aircraft) gaining free access from the Pacific to the Sea of Okhotsk and directly to our coastline.

The Kurils have a particularly important role in the defense of areas of the Sea of Okhotsk, whose waters are patrolled by our strategic missile submarines.

The islands are of great importance in ensuring access to the Pacific for our naval forces. The islands have 26 straits of 1.5-55 km in width. The most suitable straits for warships are the Fourth Kurils and Kruzenshtern Straits in the northern section, and the Bussol, Friz, and Yekaterina Straits in the southern section. Deployment routes for missile submarines and support vessels from their home ports (on the Kamchatka Peninsula) lie through the straits between the islands of the Kurils chain. The ice-free straits in the southern section of the Kuril Islands between the islands of Kunashir, Iturup, and Urup (the Yekaterina and Friz Straits) are the only straits suitable to allow naval forces to deploy to the ocean (in the event of a crisis, for instance) in winter.

The airspace surveillance system employed on the southern islands makes it possible to extend the limit of detection and interception to 800-1,000 km away from the mainland. The basing of some naval forces on the islands makes it possible to detect in good time and organize opposition to maritime groupings moving toward our coastline.

Were the islands to be lost because of gaps in the radar-covered area, airborne attack systems would be able to penetrate and operate in these areas unmonitored. The development in the immediate future of a new surveillance system for the continental coastline is unrealistic owing to the lack of funds and potential.

A loss of control over the Yekaterina, Friz, and Bussol Straits would create an opportunity for direct influence to be exerted on the continental part of our coastline and for an amphibious assault landing on Sakhalin Island, and the Pacific Fleet's forces would be separated and isolated from each other. Part would be blockaded in the Sea of Japan, with another part in Kamchatka.

So the loss of even some of the Kuril Islands would lead to the breakup of the Maritime Kray's military infrastructure and the integrity of unified strategic defense in the Far East, and would result in a sharp reduction in the security enjoyed by naval forces based in the Sea of Okhotsk, which would cease to be a domestic Russian sea.

This assessment objectively coincides with the conclusions drawn by Japanese military experts, who believe that for the Russian Pacific Fleet the importance of the Kuril Islands is equivalent to the islands of Okinawa and the Japanese archipelago for the United States—and these, as is well known, are the main elements in the implementation of U.S. naval strategy in northeastern Asia.

Incidentally, with regard to Okinawa, Japanese diplomats are now stating that Russia should approach the "northern territories" problem in exactly the same way as the United States once approached the Okinawa question—it was returned to Japan after several decades of U.S. occupation.

But, even in the opinion of many Western political observers, the analogy with Okinawa is very flimsy, since 20 percent of its territory is still occupied by U.S. bases, although there is actually a link between the South Kuril and Okinawa problems. The United States once unambiguously indicated to Tokyo that Japan might not get Okinawa back at all if it signed a peace treaty with the USSR on the basis that the Soviet Union would return only Habomai and Shikotan Islands (as was envisaged by the Japanese-Soviet declaration of 1956).

Furthermore, there is a danger that, in the event of Japan handing over the four South Kuril islands, Washington and Tokyo might not agree to their being given the status of demilitarized territories. It is quite likely that Japan and the United States, within the framework of the "security treaty," could use the islands to develop a forward base for naval operations. And the Japanese military leadership, having embarked on the elaboration of a new military doctrine, is devoting heightened attention to an analysis of the possible changes in the Kuril Islands' strategic significance.

Here it is appropriate to recall that, despite the existence in the Japanese Constitution of specific "antiwar" restrictions (Article 9 prohibits the creation of armed forces, and the state's right to wage war is not recognized), Japan currently has some of the largest armed forces in the Asia-Pacific region in terms of their combat strength. Moreover, according to estimates by a number of foreign specialists, Japan is capable of becoming a mighty military power by the year 2000. Incidentally, this trend is already being reflected in new military-strategic concepts and in the increasingly persistent calls from certain Japanese circles for a revision of the current peace constitution in favor of a significant buildup of the navy and air force in the interests of carrying out the mission of "defending remote maritime borders." Nor should the possibility be ruled out of a development whereby, as a result of a substantial reduction in Russia's military might compared with the former USSR, and a change in the balance of forces in the Asia-Pacific region—particularly the Far East—the military-strategic vacuum thus formed would be filled by Japan.

In the event of the South Kurils being transferred to Japan the islands might be turned into a military outpost that would reach directly to the Russian coast. Existing experience of military history makes it possible to assume that an air wing (of up to 50 warplanes) together with combat support and servicing units and subunits could be additionally deployed in the South Kurils, with up to a single infantry division on Iturup Island and a separate mixed brigade on Kunashir Island. In the event of military operations these forces could be used to

defend the islands, blockade the straits zone, or hamper the operations of concentrated combat groups in the northern part of the Kurils. All this allows us to conclude that the transfer of the Southern Kurils to Japan would have negative military consequences for Russia.

This does not mean, however, that we should give up our search for a mutually acceptable compromise with Tokyo on the territorial demarcation problem, as proposed by the well-known five-stage plan put forward by B. Yeltsin. While conducting this search, we cannot fail to take account of the problems of safeguarding Russia's security.

Dispatch of Second Force to Sarajevo Doubtful

PM2107182992 Moscow KRASNAYA ZVEZDA
in Russian 22 Jul 92 p 3

[Report by Sergey Sidorov: "Will a Second Battalion of Russian 'Blue Berets' Be Sent to Sarajevo?"]

[Text] Last Friday [17 July] the Russian Supreme Soviet agreed to provide an additional troop contingent for the UN forces in Yugoslavia.

UN Secretary General Butrus Butrus-Ghali asked the Russian leadership a month ago for Russia to allocate a second battalion to be stationed in the area of Sarajevo Airport in Bosnia-Herzegovina. The first Russian battalion has been in the former Yugoslavia since the beginning of the UN operation there, and its actions to separate the conflicting sides are regarded in UN circles as exemplary, which probably brought about the request from UN headquarters.

The UN secretary general's request was from the very outset backed by Russia's foreign policy department. The agreement of Army General Pavel Grachev, Russia's defense minister, was also obtained, but many deputies and parliamentary experts still doubt the political advisability of sending a troop contingent from Russia to a Bosnia-Herzegovina racked by civil war.

Sergey Yastrzhembskiy, director of the Russian Foreign Ministry Press and Information Department, who spoke at a news conference in Moscow, thinks that the parliament's ratification of Russian President Boris Yeltsin's decision to assent to the UN leadership's request does not mean that a second Russian battalion will automatically be sent to the former SFRY because three more states (Egypt, Ukraine, and France) have already agreed to put their military at the disposal of the UN forces. Agencies report that a 400-strong Ukrainian contingent is expected to arrive in Bosnia-Herzegovina toward the middle of this week so Russian soldiers may not be required to take part in guarding Sarajevo Airport.

Nevertheless, the Russian Defense Ministry spokesman said a second battalion of Russian "blue berets" will be formed. It will include Ground Forces servicemen on a volunteer basis.

N. Ossetia's Galazov on S. Ossetia Peace Force

PM2107140792 Moscow PRAVDA in Russian
18 Jul 92 p 2

[Report by Anatoliy Grachev under the rubric "From the Hot Spots": "Only a Step Toward Peace"]

[Text] Vladikavkaz—As PRAVDA has already reported, the peacemaking effort to settle the conflict between South Ossetia and Georgia has begun. Subunits of an airborne regiment have entered the zone of hostilities. On Wednesday night [15 July] a battalion left Vladikavkaz for the region of Tskhinvali. It contains local guardsmen, formations of Terskoye cossacks, and other volunteers—all inhabitants of North Ossetia. They are entering a corridor 14 kms wide stretching across South Ossetian and Georgian territory. Some 15 reinforced militia posts have been posted along the route the columns are following, and there is also a group providing cover.

Your PRAVDA correspondent requested A. Galazov, chairman of the North Ossetian Supreme Soviet, to comment on the statement by Kitovani and Shevardnadze that the peacemaking forces should be smaller:

"Even so there will be few of them, not more than 1,500 men," he said. "Some 200 men will arrive from the Georgian side, even fewer from South Ossetia. Fears that these very people may get into skirmishes with each other are baseless. After all, the people in the Georgian and South Ossetian peacemaking forces have not participated in the bloody slaughter here. The action's main purpose is not to wage war but to do everything to separate the warring sides."

This is, of course, only the first step toward settling the conflict. The road to peace is soaked in blood; a great deal of work is still necessary, especially by the mixed monitoring commission and also all sober people.

Grachev Meets British Foreign Secretary Hurd

LD2207081192 Moscow ITAR-TASS in English
0706 GMT 22 Jul 92

[By ITAR-TASS correspondent Yuriy Sidorov]

[Text] London July 22 TASS—British Foreign Secretary Douglas Hurd met on Tuesday [21 July] with visiting Russian Defence Minister General Pavel Grachev.

ITAR-TASS was informed by foreign office sources that the two ministers discussed a wide range of political and military problems. They also touched upon the role of the Russian Armed Forces in the nineties and relations between the country's government and the ministry. The ministers exchanged views on the situation in the Commonwealth of Independent States and European security.

Also on Tuesday, Crown Prince Charles received the Russian defence minister.

Palestinians To Continue in Middle East Talks

LD2107175592 Moscow ITAR-TASS in English
1508 GMT 21 Jul 92

[By ITAR-TASS diplomatic correspondent Sergey Postanogov]

[Text] Moscow July 21 TASS—Palestinians will continue to participate in the Middle East peace process within the framework established by the Madrid Conference. They will also seek to take part in negotiations between representatives of Jerusalem and Palestinians living outside the occupied territories, Palestinian Ambassador to Russia, Nabil Amr, stated at a conference on "Middle East After Elections in Israel" held in Moscow today. Taking part in discussions were Russian orientalists, diplomats and representatives of news media.

Noting that the Middle East peace settlement should be based on principles of international law, Nabil Amr expressed hope for Israel's balanced and realistic approach to this peace process.

Participants of the conference believed that despite the existing problems, Yitzhaq Rabin's coming to power in Israel creates good prerequisites for moving ahead on the way to achieving a comprehensive Middle East settlement. A number of speakers were worried that results of the forthcoming elections in the United States might have a certain impact on the peace process in the Middle East region. However, the majority of scientists and diplomats expressed hope that irrespective of the outcome of elections in the U.S., the American administration as a co-chairman of the peace conference, "will adhere to the principle of the necessity of establishing peace in the Middle East region."

The Palestinian ambassador stressed a constructive role of the Russian Federation in the Middle East settlement, saying that Russia, as a co-chairman of the peace conference "exerts all its powers to keep this process moving forward."

Spokesman Discusses Middle East Peace Process

LD2107151892 Moscow Radio Moscow World Service
in English 1110 GMT 21 Jul 92

[Text] According to the Russian Foreign Ministry official spokesman, Russia is satisfied on the whole with the peace processes in the Middle East and intends to take a more active part in the Middle East settlement. Aleksandr Pogodin believes this statement is both very useful and timely.

Many observers analyzing the situation in the region focus on the activity of only one co-chairman at the Middle East peace conference—the United States. Washington's efforts do really deserve attention. The Russian Foreign Ministry regards as highly significant the current tour of the Middle East by the U.S. Secretary of State James Baker, but it shouldn't be forgotten that

Russia and the United States are closely and earnestly interacting in the restoration of peace in the region.

A common outlook on the Arab-Israeli conflict is accentuated in the joint Russo-American documents signed during summits and other international contacts, so it must not be the question of any separate Russian or American policy in the Middle East. Here, as in many other spheres, partnership and cooperation are required.

Of course there are reasons to say that the Russian diplomacy, whose attention was diverted recently to complicated problems in relations with a number of former Soviet republics, has lowered the degree of its practical participation in the Middle East settlement. The Russian Foreign Ministry is drawing certain conclusions. Thus it has been announced that the chief of the ministerial department for Africa and the Middle East will make a trip to the region in the near future to hold consultations with the sides involved in the Arab-Israeli conflict. Already now Russian diplomats are conducting preparations for a regular round of bilateral and multilateral talks. Consultations are being held with the direct participants in the conflict as well as Arab, European, and other nations in a bid to influence the peace process. Naturally, cooperation with the United States as a co-sponsor of the Middle East settlement will continue.

FRG Luftwaffe Official Flies Su-27

PM2007143792 Moscow Russian Television Network
in Russian 1900 GMT 16 Jul 92

[Report by A. Yusipov; from the "Vesti" newscast]

[Text] [Yusipov over video of airfield, aircraft, Kubinka emblem] The potential of Russian military aircraft and our pilots' skill were demonstrated today to a German military delegation at the Kubinka airfield near Moscow. Luftwaffe Inspector Lieutenant General Hans Kuebart, who arrived at the invitation of the Russian Air Force Command, was received by Moscow District Commander Lieutenant General Nikolay Antoshkin. The best way of getting to know one another and trusting one another is by flying together, which is what Hans Kuebart and "Russkiye Vityazy" aerobatic team pilot Lieutenant Colonel Bazhenov, did: They flew an Su-27. Our pilot's skill made the general dizzy, even though, incidentally, he showed that he was in top form.

[Kuebart, in English, with superimposed Russian translation] I am feeling fine, very good. It is always fun to fly an airplane like this one, a modern airplane that is so capable.

[Yusipov] Despite everything, this is wonderful, even if you know that shows like this are staged precisely in order to ensure that such aircraft are never used. [video shows airfield, pilots, aircraft, interview.]

Customs Houses Set Up on Estonian Border

LD2107213492 Moscow ITAR-TASS in English
2006 GMT 21 Jul 92

[By ITAR-TASS correspondent Anna Shcherbakova]

[Text] St. Petersburg July 21 TASS—Four custom-houses were set up on the Russian-Estonian border in the direction of St. Petersburg. "We do not pursue the aim of erecting a wall before the people but our duty is to place a reliable barrier on the way of unlawful transportation of Russian wealth across the borders," Lieutenant-General Konstantin Pleshko, commander of the troops of the North-Western Frontier District, told ITAR-TASS.

About 600 million rubles will be required for providing facilities for the troops, but on the whole the housing construction and the creation of the necessary infrastructure taken together will cost approximately 10 billion rubles. However, these sums are not so large compared to the cost of goods and raw materials transported illegally from Russia. For instance, recently a group of people tried to take across the Ivangorod custom-house 2.5 tons [as received] of nickel concealing it under a container of a truck. The cost of the confiscated metal exceeded one million rubles.

Commentary on Russian-Chinese Talks

LD2107180792 Moscow Radio Moscow World Service
in English 1110 GMT 21 Jul 92

[Commentary by Konstantin Garibov]

[Text] Russia and China are holding a new round of talks in Moscow on troop cuts and confidence-building along their common border. Commentary by Konstantin Garibov.

The offer for talks was made by the former Soviet Union, and the two sides meeting at a summit level in 1989 had agreed on measures for troop numbers along the border to be reduced to levels thought to be appropriate for normal relations. Has there been any progress since then. Russia's chief negotiator Mr. Genrikh Kireyev explains: After six rounds of talks, says the Russian diplomat, the two sides appear to be sharing identical or close positions on a wide range of issues, both general and concrete, relating to would-be agreements. Mr. Kireyev is hopeful the new round will also be held in a businesslike spirit with both sides showing desire for a compromise.

The new stage of talks also involves representatives of three other former Soviet republics—Kazakhstan, Kyrgyzstan, and Tajikistan—all of them sharing a common border with China. However, the four nation team of negotiators has agreed to pursue a coordinated policy of seeking troop cuts and confidence-building along the border with China.

The five nations involved in what is seen as the first arms reduction talks in the Asian-Pacific region are expected to contribute to Asian security.

Federation Affairs

Yeltsin on New Structure of Political Power

OW2207105992 Moscow INTERFAX in English
1006 GMT 22 Jul 92

[Transmitted via KYODO]

[Text] Russia's President Boris Yeltsin has declared that "more and more urgent now is the problem of a new political structure". The present one has been left to Russia from the old system, said the president before flying today, Wednesday, on a working tour of the Federation's regions. However, to a question by IF [INTERFAX] correspondent Vyacheslav Terekhov he replied that the structural problem could not be solved quickly as it needs much thought and a balanced approach. "Our society is too pressed now with all sorts of difficulties to be loaded also with creating that new political structure," he explained. "That would be a sharp turn in our social development which we can't afford now."

So far, finds Boris Yeltsin, we should try to achieve interaction between the executive and legislative powers. "In some of Russia's regions," regrets B. Yeltsin, "the Soviets (i.e. local councils - IF) are trying to stifle the executive." That should be resisted, he said. The elected bodies should set the principles of development, not issue specific instructions or share out resources and so on.

On the decision by the Supreme Council taking over the newspaper IZVESTIYA Boris Yeltsin commented that he did not support it. "I have always tried to protect mass media and will do so in future," he promised.

In his tour the President will visit the Krasnodar region, Kalmykia, and the Omsk region.

Military Issues

Yeltsin Urges Solving Problems Facing Army

LD2107162792 Moscow ITAR-TASS in English
1506 GMT 21 Jul 92

[Text] Moscow July 21 TASS—Russian President Boris Yeltsin urged military commanders and heads of local administrations to speed up the solution of problems facing the military and avoid further tensions in the Army.

Objective difficulties should by no means be used as a justification of slowness in solving the social problems of the military, the president said at a meeting with Army commanders and local leaders on Tuesday.

The major problem is housing construction, according to the president. He demanded that heads of local administrations see to it that all housing planned for the military be provided as soon as possible.

Yeltsin criticised the military leadership for failure to ensure good order in the Army where wasting of military

property, abuse of office and corruption continue. The president warned against merging administrative structures of the Army with commercial ventures.

Resolving Army Housing Problems Discussed

PM2107182192 Moscow IZVESTIYA in Russian
22 Jul 92 Morning Edition pp 1-2

[Viktor Litovkin report: "Russian President Resolving Army Problems"]

[Text] President Boris Yeltsin met with the heads of Russia's oblast, kray, and republic administrations and the leaders of ministries and departments 21 July. One of the most important questions on the agenda was the implementation of the president's decree on social protection for servicemen and the provision of housing for the families of officers and warrant officers.

"More than 200,000 of our troops will be withdrawn from abroad during 1992 to 1995," Aleksandr Temerko, chairman of the Committee for Servicemen's Social Security, said during a conversation with IZVESTIYA's military observer, "and those leaving our near neighbors, the 'hot spots,' must also be taken into consideration. A very grave situation is developing in the face of this wholesale troop withdrawal."

The local authorities in some regions gave him a hostile reception. The administrations in Kursk, Kaluga, and Moscow Oblasts are protesting at troops being stationed on their territory. The main reason being that they lack adequate resources—financial and material—for construction.

For this reason, primarily, the president's February decree on social protection for servicemen is not being implemented. Local authorities have returned to servicemen only 45,300 square meters of the 437,000 square meters of housing that was built with the shared participation of the Defense Ministry—10 percent of what was planned, or 817 apartments.

The government resolution allocating servicemen 5 to 10 percent of the apartments in every apartment block under construction regardless of its departmental affiliation is not being implemented. Despite civilian departments owing the Army 757,000 square meters, it has to date only received 26,500 square meters, that is, only 3 percent, or 472 apartments.

Only 18,500 of the 50,000 officers and warrant officers discharged into the reserve have received apartments...

Roughly 2 million square meters of housing need to be built and 22 billion rubles [R] allocated, not counting inflation, in order to implement the president's decree. But the government has only managed to find R6 billion for the Army. Where is the rest to come from?

The chairman of the Committee for Servicemen's Social Security thinks that local authorities should find some of the shortfall (roughly 40 percent), as envisaged by the president's decree. The Finance Ministry should provide

20 to 30 percent. The Armed Forces themselves can find the rest from internal reserves.

In addition, the government has ordered 8 percent of all foreign credits to be used to build housing for servicemen. In particular, \$80 million of the \$2 billion credit that Spain has given Russia. With this money the Defense Ministry is procuring construction complexes in the Pyrenees, along with production lines to process farming produce, and in return for these it should receive roughly 10,000 apartments in Tula, Voronezh, Nizhniy Novgorod, Kaluga, Arkhangelsk, and Moscow Oblasts.

Other mechanisms are also being developed to interest the local authorities in cooperating with the military and attracting national, highly qualified specialists to their territories.

But the main reserve for obtaining funds for housing construction for the military is the sale of Army property that is being vacated in the course of cuts in the Armed Forces and the sale of combat hardware. Experts have estimated that it may amount to more than R500 billion in value. That should be enough to provide officers' families with amenities.

But, regrettably, this money is going to everyone but the Army today.

Aleksandr Temerko thinks that securing the return of what rightfully belongs to the Army should mean a full guarantee of social protection for servicemen and the ensuring of their legal rights.

Yeltsin Decrees New Defense Appointments

LD2207091692 Moscow ITAR-TASS World Service
in Russian 0807 GMT 22 Jul 92

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow, 22 Jul—A Volga and a Urals military district have been formed on the basis of the Volga-Urals Military District, the ITAR-TASS correspondent has been informed by the Russian Defense Ministry press center.

By decree of the president, Colonel General Anatoliy Sergeyev has been appointed commander of troops of the Volga District, and Colonel General Yuriy Grekov, commander of the Urals District.

A number of other appointments have also been made. Major General Vladimir Churbanov becomes logistics chief of the Russian Federation Armed Forces; Colonel General Leontiy Kuznetsov has been appointed commander of troops of the Moscow military district; Colonel General Leonid Mayorov, commander of the Northwest group of troops; and Colonel General Leonid Kovalev, commander of the North.

Yeltsin on Formation of 'Mobile' Detachments

LD2207105592 Moscow Radio Rossii Network
in Russian 0900 GMT 22 Jul 92

[Text] President Boris Yeltsin said that since 21 July about 20 mobile [mobilnyye] detachments have gone to guard the Russian Federation's borders with the Baltic states, and they have started forming the border. According to Yeltsin, the next stage will be the establishment of a border with Azerbaijan.

The president also stressed that the role of borders and the border service will consist not only of preventing the export of Russia's wealth. What is also at issue are the political aspects of establishing a border.

Boris Yeltsin said this on 22 July during a visit to a stanitsa [large Cossack village] in the Krasnodarskiy Krai. An INTERFAX correspondent reports that the local inhabitants raised the problem of guarding the borders. In particular, representatives of the Kuban Cossacks stressed the necessity of establishing the Russian state border more rapidly. Also, it was proposed that the Kuban Cossacks help in guarding the Russian borders.

Boris Yeltsin believes that Russia's borders with adjacent foreign states will have various degrees of flexibility. In particular, Ukraine, where there are many millions of Russians, cannot be separated from Russia by an impenetrable, rigid border. Customs posts will be given preference there.

Touching upon relations between Russia and Ukraine in general, Boris Yeltsin said that, at the recent meeting in Dagomys, he reached agreement with President Leonid Kravchuk virtually on every point except one—the fate of the Black Sea Fleet.

Yeltsin Signs Protocol on Peacekeeping Forces

LD2107133592 Moscow ITAR-TASS in English
1303 GMT 21 Jul 92

[Text] Moscow July 21 TASS—Russian President Boris Yeltsin signed on Tuesday [21 July] a protocol on interim rules of creating and deploying groups of military observers and collective CIS peacekeeping forces which had been worked out at a meeting of foreign and defence ministers of the Commonwealth in Tashkent on July 16.

The implementation of the protocol will positively tell on the strengthening of CIS collective security, Yeltsin said, and called on all leaders of the Commonwealth states—parties to the treaty on collective security to speed up the signing of the protocol and the creation of peace-keeping forces.

The protocol was presented to Yeltsin by Ivan Korotchenya, the coordinator of the CIS working group of the council of heads of state and government of the Commonwealth.

Defense Minister Grachev on Formation of Army

*PM2007120192 Moscow KRASNAYA ZVEZDA
in Russian 21 Jul 92 pp 1,2*

[Discourse by Russian Defense Minister P. Grachev provided at request of KRASNAYA ZVEZDA editorial office; place and date not given: "Army General Pavel Grachev: Clear Calculation and Common Sense Are Needed in Forming the Russian Army"—first three paragraphs are introduction]

[Text] Right to the end, Russia advocated preserving the CIS Joint Armed Forces. However, centrifugal forces within the Commonwealth at the start of 1992 forced the Russian leadership to embark on forming its own Armed Forces. Boris Yeltsin signed a corresponding decree on 7 May 1992.

For more than two months now questions of military organizational development have been in the process of being tackled in earnest by the president, the Russian Federation Security Council, the republic's Supreme Soviet (in this period the Russian Law "On Defense" has been adopted and other defense legislation has been turned out), the government, the Defense Ministry, and other departments. KRASNAYA ZVEZDA has already reported many practical steps in the field of military organizational development. Nonetheless letters and telephone calls that the editorial office has received indicate that readers do not have a full idea of the progress made with military reform and the plans for setting up a Russian army. Articles have appeared in some mass media criticizing state organs for their sluggishness in implementing military reform.

At the editorial office's request Army General Pavel Grachev, Russia's defense minister, described how the formation of the Russian Armed Forces is going and the prospects for their development:

[Grachev] Military organizational development in Russia has entered the phase of practical measures. Today the Defense Ministry is completing the development of the structure of the Russian Armed Forces for the next few years and the longer term, the complexion of the ministry itself has been elaborated, and the basis of the concept for the development of the Russian Armed Forces has been determined, a concept which will shortly be submitted to the president and the Supreme Soviet for ratification.

When formulating these documents we were guided by the requirements of the Russian Constitution, existing legislation, the president's decrees and ordinances, and the provisions of government documents. What is more, the conditions in which we embarked on forming the Russian Armed Forces were analyzed. The main features of these conditions are as follows:

First, the radical change in the world geopolitical and strategic situation over the last three to five years. This is due to the end of the "cold war," the end of global

East-West confrontation between two world systems, the self-dissolution of the Warsaw Pact, the breakup of the Soviet Union, and the increase in Russia's role in the world community.

Second, the fact that the Russian Army and Fleet are being formed on the basis of part of the former USSR Armed Forces. The former structure of these forces has been disrupted as a result of the breakup of the USSR.

Third, the need to formulate a concept for the development of our armed forces in the absence of a fully elaborated, officially adopted Russian military doctrine.

Based on an analysis of the trends governing the development of the sociopolitical and economic situation in Russia and the CIS and the conditions in which the Russian Armed Forces are being formed, we have come to the conclusion that they are confronted by other tasks as well as those of providing armed protection against overt external aggression.

These being above all the following:

To ensure Russia's security and preserve its territorial integrity;

To take part in implementing commitments to the world community as regards the maintenance of peace and stability and also preventing the proliferation of nuclear weapons and other mass-destruction weapons; and

To take part, in conjunction with law enforcement organs, in suppressing attempts to commit terrorist acts at strategically important installations connected with nuclear weapons, the fuel and energy complex, basic industrial sectors, and state and military management systems.

All this served as a base for formulating our proposals regarding the structure of the Armed Forces, their groupings, and force composition, as well as the structure of the Russian Defense Ministry.

We proceeded on the premise that at least four interconnected tasks must currently be resolved virtually simultaneously:

1. The creation of the Russian Armed Forces;
2. The withdrawal of all our troops back to Russian territory;
3. Considerable cuts in the Army and Navy; and
4. The reform of the Russian Armed Forces.

The current political situation in the country and its economic state, as well as the need to maintain continual control of the troops and keep their combat readiness at the proper level make it necessary to resolve these tasks in stages.

During the first stage (in 1992) the main tasks are:

1. To conduct a thorough and objective inventory of existing arms and military hardware;

2. To determine at interstate level the status of Russian troops outside Russia. To continue the systematic withdrawal of troops and provision of amenities for them on Russian territory;
3. To continue the scheduled reduction in the numbers of personnel, arms, and military hardware;
4. To formulate the fundamental principles of the legal base for the development and functioning of the Russian Federation Armed Forces; and
5. To revive the Urals Military District and reform individual military districts.

A priority task this year is to complete the formation of the Russian Federation Defense Ministry.

During the second phase (through 1995) we plan to focus our main attention on resolving a number of complex problems:

First, the shaping of the structure of the Russian Federation Armed Forces. Through 1995 we plan to mainly retain the current structure in terms of branches of the Armed Forces and the command and control system. It is not a question of our being conservative nor of our being reluctant to rapidly implement the planned transformations. The radical destruction of existing structures would necessitate considerable expenditure. That is connected with the considerable reorganization of the communications and command and control systems, the infrastructure, and cadre training. A very well-considered approach is required here.

A fundamentally new element is the fact that we plan during this stage to create mobile forces as a new operational-strategic formation within the airborne assault troops, the Marines, and light ground forces formations and units of military transport aviation, helicopters, and other forces and systems needed for redeployment, support, and reinforcement—forces and systems capable of promptly effecting a maneuver and performing limited tasks in any region of Russia. We estimate that it will only be possible to fully complete the formation of these forces after 1995.

Second, the creation of groups of troops that correspond to present-day realities and Russia's treaty commitments and are capable of fully performing the tasks that they are set.

Top priority attention will be devoted to groupings of the strategic nuclear forces, which will include the Strategic Rocket Forces. Today they are a most reliable factor for deterrence both in terms of world nuclear and conventional war. The specific composition of these groupings will be determined by the strategic offensive arms agreements that have been secured.

Conventional armed forces groupings will be created on Russian territory by 1995, effectively from scratch.

At this juncture, we intend to embark on drastic cuts in the total number of large strategic formations and combined units. Everyone is aware that today many of them

have low staffing levels. The result is that some combined units and regular units are unable to systematically tackle combat training. Personnel are largely engaged in attending to themselves and regulation combat hardware and can be said to be fighting for their existence.

We cannot put up with that state of affairs any longer. We are resolutely reducing the number of lower-strength combined units and regular units. The result is that we will boost staffing levels in the remaining units and create normal conditions for the troops' everyday life and activity.

The groupings that are set up will be capable of repulsing aggression in local and regional wars and military conflicts. If a large-scale conventional war is unleashed against Russia, we think that they will be able to ensure the strategic deployment of the Russian Armed Forces. What is more, some of the peacetime troops (forces) will be specially trained for possible participation in peace-keeping actions at the behest of the UN Security Council and also within the CIS framework in accordance with legally established procedure. In any case the decision for the Russian Armed Forces to take part in such actions will be adopted by the Russian Supreme Soviet.

Third, during this period we plan to begin the transition from a ground forces structure based predominantly on armies and divisions to one based around corps and brigades. As a result by 1995 the number of corps will have risen by a factor of roughly 1.5, the number of divisions will have dropped by almost a factor of three, but the number of brigades will have risen by almost a factor of six. That is the only way that we will be able to create a combat capable ground forces grouping, while effecting considerable cuts in their numerical strength and carrying out our treaty pledges to cut conventional armed forces.

The intention is for conventional armed forces groupings to be based on three main elements: covering forces, mobile forces, and a high command reserve.

When planning the creation of new groupings of troops there was a change of approach to their formation. We concluded that it is advisable when tackling this issue to proceed not only on the basis of the existence of certain highly dangerous strategic and operational sectors, but also to take into consideration the disposition of vitally important industrial areas and areas where strategic resources are extracted and the location of particularly important installations.

In view of this, we are formulating a mobile defense concept and starting to put it into practice.

Our military-technical policy and system of ordering and procuring arms and military hardware must be radically reviewed when all these measures are implemented. We are now putting a great deal of work into this problem and have made specific achievements [narabotki] and proposals.

Fourth, during the second phase the practical move to a mixed system of staffing the Russian Armed Forces will begin—a system based on the draft and on voluntary entry into military service on contract. This is a very difficult problem. There are economic, sociopolitical, and moral aspects to it, if you like. It must be resolved in a very well-considered manner, observing as far as possible all citizens' equality before the law and social justice.

During the third phase (post-1995) we plan to implement radical transformations in the structure of the Armed Forces and change the military-administrative division of Russia's territory.

It is envisaged that functions of operational and administrative control will be separated. To this end the roles and functions of the current commands of categories of the Armed Forces will be radically reviewed. We are studying as one possible option the question of transforming them into corresponding directorates of the Russian Defense Ministry. They will be made responsible for providing the troops with technical equipment and comprehensive backup and for training cadres. They will be reduced in number and their staffs cut.

Special and territorial commands will be made responsible for the operational leadership of groupings of troops (forces). The intention is to set up a Council of Commanders of Special and Territorial Commands under the chief of the General Staff of the Russian Armed Forces to organize cooperation and coordinate their activity.

It is planned to reduce the total strength of the Russian Armed Forces to 1.5 million servicemen by the end of the third phase.

Provision is made for all command and control organs, above all the Defense Ministry, to be radically transformed in order to ensure the effective command and control of the Armed Forces and their performance of their tasks, and also to direct the measures to develop and improve these forces.

The fundamental difference between the new Defense Ministry structure and the previous one resides in the clearer demarcation of functions within the central apparatus.

Provision is made for six deputy defense ministers (instead of the 11 deputies in the former USSR Defense Ministry), each of whom will be responsible for a strictly defined range of tasks.

As the supreme executive body in the military command system, the General Staff led by its chief—a first deputy defense minister—will implement strategic and operational planning; direct the leadership of the Armed Forces in peacetime and wartime; maintain the combat and mobilization readiness of the troops (forces); determine the Armed Forces' requirements with regard to

personnel, material resources, arms, and military hardware in peacetime and wartime; and organize strategic and operations support.

Resolving the formulation and implementation of a unified military-technical policy, organizing orders of arms and military hardware, and supervising the implementation of conversion and the planning of mobilization preparations for industry is combined under the unified leadership of another Russian first deputy defense minister.

He is responsible for organizing cooperation and preparing military treaties with close and distant neighbors.

Resolving other questions is also combined into integral blocs. The first concerns rear services and medical support, construction, and accommodations for the troops.

The second is troop withdrawal, as well as cuts in arms and military hardware in accordance with the treaties on the CIS and conventional armed forces in Europe.

The third is training and placement of cadres, work with personnel, and the provision of social security for servicemen and their family members.

The fourth concerns so-called "hot spots" and troop reaction in emergency situations and training Russia's peacekeeping forces.

Each of these blocs is to be led by a deputy defense minister.

A number of directorates, due to the importance and specific nature of the tasks that they are resolving, come directly under the jurisdiction of the defense minister.

In view of the organizational measures to reform the Armed Forces implemented in the period 1 January 1992 to the present day and the cuts, the numerical strength of Russian Defense Ministry management organs will drop by 27 percent.

The numerical strength of the Defense Ministry and the entire managerial apparatus will be reduced in the future during the phased reduction in the Armed Forces. Next year the number of posts of general, above all in the central apparatus, will be considerably reduced in the Russian Army.

One of the special features of the current Russian Federation Defense Ministry's activity is the fact that all our plans will be the subject of extensive discussion at the Supreme Soviet and the Russian Government. I do not think that the mass media will remain aloof either. We hope for mutual understanding and support. We must not allow emotions and populist sentiments to gain the upper hand. Clear calculation and common sense must prevail.

We intend to overtly explain and uphold our approaches to the development of the Russian Armed Forces and are prepared to engage in constructive dialogue with all

interested parties. We have no other alternative than to implement the planned transformations with unwavering consistency and determination.

Conversion Subject of Program Discussion

LD2107193292

[Editorial report] Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian at 1444 GMT on 21 July carries a 30-minute "Politika" studio program entitled "A Version of Conversion," presented by commentator Yuriy Mironov, with Viktor Mikhaylovich Chepkin, described by caption as designer, and director of the Saturn Scientific and Production Association, and Russian president's adviser Mikhail D. Maley.

Recalling past wars and recent disarmament measures, Yuriy Mironov says, *inter alia*: "It was no easy matter for us to preserve military parity with one of the world's richest countries. We retained this parity and were particularly proud of it. The price paid for this pride is that 70 percent of our national economy enterprises work not to satisfy human requirements, but to satisfy the requirements of the military and industrial complex, something that, to a significant extent, explains the poverty of our life as it is now." Mironov goes on to say that Gorbachev should be credited with the idea of conversion. Time has failed to confirm the forecast that conversion would saturate the market with consumer goods.

Chepkin says that so much money and effort have been poured into the military and industrial complex that it ought to be made to contribute to the economy. He questions whether the country still needs so many aircraft and tanks. Mironov adds that Chepkin designed the engine for the state-of-the-art Su-27 fighter. At this point video shows two Su-27's taking off.

Maley recalls a chat he had with Woerner's deputy, an American general, who is also a millionaire. He said Russia should reduce its military and industrial complex to a minimum, and do so very fast. Without naming the general in question, Maley recalls that his answer was that Russia would do it willingly, provided the United States did the same. Maley adds: "No one can, or should, issue commands to us, because they do not pay us. As for conversion issues: if it were they who give 10 billion [figure only as heard] a year, it would have been possible to do everything they say. Yes, we would have turned the surplus artillery factories, shipyards, fighter aircraft plants into civilian production facilities. But, inasmuch as they are only doing the talking, whereas it is us who pay, let them, therefore, address these pieces of advice to themselves.

"In the first place, let us take the concept of conversion and let me give you some figures: All experts now agree that 150 billion [figure as heard] represents the cost of conversion in Russia. The timeframe is estimated in the range of about 15 years. This means that \$10 billion is

needed annually. The Supreme Soviet set aside 40 billion of Gaydar's rubles [R] for 1992. If you calculate on the basis of R100 for \$1, the figure amounts to \$0.4 billion, as against the 10 billion that is needed."

Maley adds that this is too little to provide proper financing. Things must be put to rights, otherwise more enterprises will simply become bankrupt. He refers to Udmurtia, where enterprises of the military and industrial complex account for 85 percent of the Udmurt economy. If these enterprises go to the wall, the state of Udmurtia will collapse, he says.

Video shows an Su-27 taking off, and Mironov says it was a sensation at the Le Bourget Air Show. It was deemed the best fighter and estimated to cost \$70 million. He adds that if 100 such aircraft were sold, \$7 billion could be made available for conversion purposes and to buy consumer goods. Our doctrine made it possible for us to sell obsolete weapons. Over the past five years, Mironov says, U.S. arms sales have netted in excess of \$50 billion, but Soviet arms exports have declined over the same period, according to a peace institute in Stockholm. We now wait for the Western assistance of \$24 billion.

Mironov then interviews Maley, and first asks: "As far as the arms sales alone are concerned, we have lost... [pauses] Well, if in 1989 \$15 billion were obtained through arms sales, last year only 4 billion were obtained." Maley answers: "It is necessary to make something more precise here." Mironov continues: "Well, I don't know, I am using the figures published in the press." Maley continues: "Well, 15—in the range of 14.2 million and this is the total sum, arrived at by adding up the cost of arms we supplied to foreign countries from the Soviet Union. As a matter of fact we never received more than four or five billion in cash. All these arms were supplied for free to our ideological friends, countries which were hopelessly bankrupt. They were, all in all, the payment for advancing our ideology. But we did lose something. Take the Finnish case: We owe approximately \$5 billion to the Finns, but we demanded that they pay cash for arms—not goods, but cash. As a result, America stepped in and instead of our MiGs, the Finnish Army will fly the F-18s. And now the export of arms and military equipment must be organized anew, essentially. Markets do change. Those who did not pay must give at least something for their debts. Let them pay us with their national currency, fixed capital, land, whatever—but, as for us, we need to reach the markets of the United States, of NATO, Japan and all the others. We can do that. If you look at things, Russia's foremost export potential now is the oil industry, coal industry and timber industry. The military and industrial complex is in second place because it is only this complex that is capable of producing sums in the range of 5 billion a year. This complex is fully capable of paying for itself in hard currency and, in addition, make fairly sizeable sums available for welfare needs. Let me refer to figures. Russia's nuclear complex: If we put the nice words of the United States to one side and in practical terms increase the uranium quota to at

least 25 percent, we will get this industry, employing in excess of 1 million people, to pay for itself fully in hard currency and the Russian State Treasury will additionally receive between \$600 million and \$800 million for welfare needs. The missile complex: It, too, employs more than 1 million people. We will get it to fully pay for itself in hard currency and the Treasury of the Russian Federation will get more than \$400 million in cash." Maley says that all industries are capable of this, save for the electronics industry and the uncompetitive metallurgical industry.

Chepkin says arms trade is the responsibility of the government. We do not, however, think we should be selling obsolete aircraft. If the government does decide to sell arms, we should be selling our best wares. The political decision depends on the government—sales should be left to the producers. Chepkin says that a Sukhoi aircraft could be sold for between \$50-70 million at today's prices, but under the present system, the producer would not receive a penny from this. Chepkin adds that an arms program should be devised by the politicians and tax payers should be familiar with it, as happens in all civilized countries. We should publish our military budget, as the United States does.

Mironov states: "Last year alone we cut our tank production by 2.5 times; the production of strategic missiles was cut by 1.5 times; the production of military aircraft was cut by 1.4 times. By the time military property had to be divided, the Commonwealth countries' total was as follows." At this point a screen caption says: "For your information, the CIS countries have a total of 44,245 tanks, 69,135 APC's, 30,274 various artillery systems, 2,298 combat helicopters, 8,831 aircraft, and more than 700 warships." Mironov continues: "How is it to be seen? Does a modern military doctrine exist, making it possible to state unequivocally whether it is a lot, or a little, or completely sufficient? There is no such doctrine."

Maley states: "There has been a delay doctrine-wise and it is the president's mistake—yes, a mistake, that is how I will put it, even though I respect Boris Nikolayevich very much as a man and a leader alike—to have dragged his feet over establishing the Russian Army. It entailed a delay in the working out of a doctrine. A comprehensive doctrine is needed, so that it is stated whether our nuclear fleet will be on duty off America's coast, or not. If according to our doctrine we do not intend to fight Ukraine in the nearest future; if we do not intend to trample Byelarus underfoot; we therefore have no need of tank armadas. This is because these are states which have created a buffer between us and our former enemy, NATO. We now have only friendly borders. In this case, it is necessary to stop the production of tanks." Maley adds that once the Ministry of Industry has been reorganized, and if everything goes according to plan, conversion will work. He then recalls a CSCE conversion seminar and a recent NATO conference in Brussels, also on conversion. Woerner said conversion and arms sales were incompatible. Maley says that, breaking all the

rules, he spoke for 40 minutes from the rostrum to explain to them the specific Russian conditions. "We have no option other than to stay in the arms markets and to compete, in a healthy and open manner, with all the other arms manufacturers," Maley states.

Chepkin describes some conversion successes that his firm Saturn has had, including a jet engine used in electricity generation that doubled the efficiency of the process. He says that we also know how to cut harmful power engineering emissions tenfold.

A shot of a Gulfstream-Sukhoi is shown, and Chepkin says it ought to be operational in 1995 thanks to Rolls-Royce-Saturn cooperation. Chepkin continues to mention his company, and says: "We have a 1,000 horse power aviation engine for business aircraft; we have a small diesel engine for agriculture, but so far there is no demand."

Maley praises Russia's potential. Let us start to work, instead of quarrelling or waiting for commands from above, he says. "The president's instructions are not to restore the idea of the Soviet Union's military and industrial complex in Russia. The Russian Army ought to be supplied by civilian industry," Maley says, adding "It is a correct decision of his, because this is the only way for the Army to have modern weapons and for the military and industrial complex not to be a burden on the budget."

Concluding the program, Mironov says: "Conversion is in its seventh year, while Russia's defense expenditure during the first half of this year amounted to 55 percent of budget revenue. Only Russia can stand it." Russia does need its Army, but it must not be a burden, so that when life has returned more or less to normal "It will not be a matter of shame to restore the tradition of Red Square military parades."

Senior Transcaucasus Officers Appeal to Yeltsin

PM2007105992 Moscow PRAVDA in Russian
16 Jul 92 p 1

[Unattributed report on letter on behalf of the officers of the 19th Independent Air Defense Army from Colonel V. Simonov, chairman of the Army headquarters officers' assembly, Lieutenant Colonel N. Lobanov, chairman of the Army command post officers' assembly, and others: "The Transcaucasian Sky Is Undefended. Russian Officers Are Leaving To Become Mercenaries"]

[Text] A total of 89 senior officers from the 19th Independent Air Defense Army have sent an open letter to Russian President B. Yeltsin, Russian Defense Minister Army General P. Grachev, and Colonel General of Aviation V. Prudnikov, commander of the Air Defense Troops, which says, in particular:

The Transcaucasus has turned into one big zone of hostilities. The Russian troops here have virtually been abandoned to the mercy of fate, and this includes our

army. This is promoted by the fact that the announcement of our transfer to Russian jurisdiction is not backed up in any way or with anything except modest pay. Since last year centralized deliveries of fuel, spare parts, and other types of provisions needed to maintain the activity of military units have been discontinued. Consequently the combat readiness and combat alert duty of the troops have been reduced and the level of their combat effectiveness is close to rock bottom.

Things have reached the point where junior officers are taking the place of sentries in guard details and senior officers are opening gates at checkpoints.

The situation is further exacerbated by the fact that most air defense units and subunits have been plundered. There is a breakdown of the once united and highly skilled Transcaucasus air defense system.

The losses are perhaps comparable to those sustained in the major battles of the Great Patriotic War. Take the seizure of depots, for example. Thus, on 23 February this year nationalist gunmen seized control of a munitions depot in the city of Agdam in Azerbaijan without a fight; 728 railcars containing artillery ammunition, 245 railcars containing rocket projectiles, and 131 railcars containing small arms ammunition were stored at the depot. A total of 2,352 assault rifles, 808 pistols, 29 light machine guns, seven heavy machine guns, more than 10,000 grenades, and about 800,000 rounds of ammunition were seized 17 March at a depot in the city of Mingechaur in Azerbaijan. In the same place 50 surface-to-air missiles—which can also be used to shoot at surface targets—were “nationalized” as well. A total of 1,185 assault rifles, 320 pistols, nine light machine guns, about 2,000 F-1 grenades, more than 300,000 rounds of ammunition, and 620 signal flares were seized 30 April at a depot in the city of Sangachaly in Azerbaijan. The list could be continued for a long time. The local authorities, or else bandit formations, are “privatizing” property that belongs to Russian troops as they see fit. The illegality of these actions is clear, but commanders and chiefs often stand by powerlessly and apathetically while this orgy is going on.

The astonishing thing is that everybody, both in the center and at local level, is placidly watching these seizures of vast material assets which by rights belong to Russia and which have mainly been produced by the people of Russia. For your information: The commercial price of a single cartridge is 5-10 rubles [R], of a pistol R20,000-30,000, and of an assault rifle R80,000-100,000.

Whereas nationalist gunmen and purely criminal gangs used to carry out raids quite recently on small garrisons and columns of vehicles, since this spring they have been attacking major combat units. The attack of 13 June on a tank regiment at Gori in Georgia by over 200 Georgian guardsmen may serve as a perfect example. In the ensuing fight, two officers, two soldiers, and an officer's eight-year-old daughter were killed on our side and

several people were injured. We want to ask the question: For the sake of what are Russians being killed and maimed in Transcaucasia? What airspace are we air defense specialists actually defending? We have just one wish—to return to our motherland, to Russia, as soon as possible.

In some units officers are obliged to collect and return bottles because their pay has been delayed. There are more and more instances of officers enlisting in national armed formations in order to earn a living.

[Signed] Colonel V. Simonov, chairman of the Army headquarters officers' assembly, and Lieutenant Colonel N. Lobanov, chairman of the Army command post officers' assembly, on behalf of the officers of the 19th Independent Air Defense Army. There are 89 signatures in all.

Internal Troops Commander Savkin on Role

PM2007140892 Moscow ROSSIYSKAYA GAZETA
in Russian 17 Jul 92 First Edition p 2

[Interview with Colonel General Vasilii Nesterovich Savkin, commander of the Russian Federation Ministry of Internal Affairs Internal Troops, by Vladimir Gondusov and Arkadiy Semenyaka; place and date not given: “The Troops Are Called Internal”]

[Text] A few days ago the Russian MVD [Ministry of Internal Affairs] Collegium adopted a special statement, which ROSSIYSKAYA GAZETA reported. Our discussion today is about the Internal Troops.

The officers and men, along with internal affairs organ staffers, fight crime, guard important state installations and correctional labor camps, provide assistance to citizens during natural disasters, transport convicts to their places of punishment,... Naturally, among the many problems which Colonel General V.N. Savkin, commander of the Russian Federation MVD Internal Troops, has to resolve every day are some key problems which do not give the military chief a moment's peace. What are they? This question kicked off our discussion with Vasilii Nesterovich.

[Savkin] There are plenty of problems. But probably the most urgent is to provide a good legal basis for the work of the troops' officers and men. The lack of such a basis is hitting people hard. That is why we are actively participating in the elaboration of normative documents. The draft law on the Internal Troops has already been adopted for examination by the Russian parliament. This and other acts of legislation—drafts of which have also been prepared with our participation—will make it possible to resolve many questions.

A no less important problem is the manning of the Internal Troops. Our actual requirements are not even half met by the draft. What is the way out of this situation? We need to either change the staffing system or reduce the number of tasks for which the troops are

responsible. The officers and men are currently serving at the limit of human endurance, which has forced us to elaborate a package of documents on manning the troops by voluntary contract, and to submit it to the Russian Federation president's apparatus. Our position is that correctional labor camps should be guarded not by soldiers but by extended-service volunteers and warrant officers. Many members of the Russian Supreme Soviet agree with us.

[ROSSIYSKAYA GAZETA] Nonetheless, an opinion poll in the units showed that the men would agree to guard correctional labor camps for a year or two after completing their draft service for a corresponding payment...

[Savkin] That is an entirely acceptable approach for us—after all, the five-year enrollment period currently in operation puts people off. As to payment, we are currently talking about 4,000 to 5,000 rubles per month...

[ROSSIYSKAYA GAZETA] How realistic will it be to "get hold" of the money for those who agree to serve under contract?

[Savkin] The material aspect of the problem is the hardest to solve, although everyone realizes that the state must pay good money for unprestigious service.

[ROSSIYSKAYA GAZETA] After all, officers too are being paid trifling amounts...

[Savkin] As you know, as of 1 June a Russian Government ordinance has almost doubled the officer corps' pay, and pay scales for the different ranks will be considerably increased in August.

These steps by the Russian Government in respect of the military are vitally necessary. We need to retain officers, particularly young officers, in the service (most of all for important state work). This year alone around 400 people have decided to leave the service.

People have plenty of reasons for wanting a discharge, and probably the main reason is to be found in the years of unresolved social problems accompanied by the unbearable conditions of service. The military are not in the habit of complaining about things being tough. But here are a few figures. The results of a selective survey by our sociologists show that more than 60 percent of officers' families are living below the poverty line. Some 17,000 officers need housing. The number of officers without accommodations will increase significantly with the withdrawal of Russian troops from the Transcaucasus, the Baltics, and other parts of the former Union.

[ROSSIYSKAYA GAZETA] A year or two ago most officers were pinning their hopes on social problems being improved through the active work of the Officers' Assembly...

[Savkin] In my view, the Officers' Assembly has not yet sensed its strength. There are many reasons for this. For instance, we set it up at a time when party structures

were still in existence. The Officers' Assembly seemed to strengthen them. I personally see the importance of this social institution as being to liberate people and to promote contact between superiors and subordinates—which, incidentally, is one of the traditions of the Russian officer corps.

[ROSSIYSKAYA GAZETA] Vasily Nesterovich, which aspects of the troops' activity, in your opinion, need to be changed straightaway?

[Savkin] Unless we participate in the fight against crime it will be hard to solve this painful problem for society. That is why the question of our cooperation with internal affairs organs needs review. It is no secret that certain troop commanders are avoiding the problems facing law-enforcement organs. But, on the other hand, internal affairs directorate and department leaders have no idea of the troops' potential. We need to combine our subunits' organization, mobility, and combat readiness with the law-enforcement organs' professionalism and in-depth knowledge of the operational situation.

[ROSSIYSKAYA GAZETA] You spoke of the troops' potential. But surely the level of equipment available to them leaves much to be desired?

[Savkin] The troops' technical level depends entirely on the country's overall material prosperity, which we cannot discuss now. Undoubtedly, we would like to have convenient, lightweight, and reliable individual protection gear for servicemen. We need reliable communications and effective riot gear. We lack all of this. Needless to say, there have been corresponding developments at scientific research establishments, but there is currently no chance of introducing them. The funds allocated to the troops are scarcely sufficient to keep the equipment we use to guard installations in working condition.

Continuing this thought, I would stress that equipment needs to be used properly. The general educational level of draftees does not allow them to be trusted with modern equipment. And there are only a handful of professionals in the subunits. But it is not in my power to solve the problem of increasing their numbers.

[ROSSIYSKAYA GAZETA] Vasily Nesterovich, many servicemen from the Internal Troops have been killed in the "hot spots" of the former Union. What is the command doing to provide help for their bereaved families?

[Savkin] We are doing everything we can to help the bereaved families. This help primarily takes the form of completing documentation to allow them to draw benefits and pensions. The "Your Problem Is My Problem" Fund set up within the troops pays pensions to the children of dead servicemen and helps to set up memorials to those killed in interethnic conflicts. It is harder to resolve these problems in the former Union republics. We have appealed to the leaders of the sovereign states to provide the necessary help and support to the families of our dead comrades in arms.

[ROSSIYSKAYA GAZETA] How have the leaders responded to your requests?

[Savkin] Most of them have responded well. But there were also purely formal replies—from Moldova, for instance. I would like our concern and pain to be known everywhere, so that there should be as few bitter complaints as possible.

[ROSSIYSKAYA GAZETA] The social tension in society is increasingly leading to mass unrest. Should the Internal Troops, which are rightly called the law-and-order troops, remain aloof in this instance?

[Savkin] Under no circumstances should the troops be involved in solving political problems. But when feelings reach a boiling point, when rocks and concrete blocks are being used, and when rallies or demonstrations are threatening to turn into bloodshed, only then can the force which calls itself the Internal Troops be reasonably employed.

Measures To Help Ex-Soldiers Become Farmers

PM2107130392 Moscow ROSSIYSKAYA GAZETA
in Russian 14 Jul 92 First Edition p 6

[Resolution No. 460 of the Russian Government "On Measures To Help Officers, Ensigns, Warrant Officers, and Servicemen on Extended Military Service Discharged Into the Reserve in Connection With the Reduction in the Armed Forces in Setting Up Peasant (Individual) Farms," signed by Ye. Gaydar in Moscow and dated 2 July 1992]

[Text] With a view to providing social protection for officers, ensigns, warrant officers, and servicemen on extended military service (henceforth known as servicemen) discharged into the reserve in connection with the reduction in the Armed Forces, providing them with employment, improving their housing conditions, and speeding up the resolution of the food problem the Russian Government resolves:

1. That the Russian Defense Ministry Committee for Servicemen's Social Security, in conjunction with the Russian Ministry of Agriculture, the Russian Government Committee for Land Reform and Land Resources, and the Association of Russian Peasant (Individual) Farms and Agricultural Cooperatives, the governments of the republics within the Russian Federation, and executive organs in krais, oblasts, and autonomous formations register servicemen who want to organize peasant (individual) farms and agricultural cooperatives and coordinate the work of regional placement.
2. That the governments of the republics within the Russian Federation, executive organs in krais, oblasts, and autonomous formations, the Russian Government Committee for Land Reform and Land Resources, the Russian Ministry of Agriculture, the Russian Defense Ministry, and the Russian Defense Ministry Committee for Servicemen's Social Security, in conjunction with the

Association of Russian Peasant (Individual) Farms and Agricultural Cooperatives initiate work on setting up peasant (individual) farms and agricultural cooperatives involving servicemen discharged into the reserve and provide the requisite conditions for their organization and development, including the transfer in accordance with prescribed procedure of plots of land being vacated as military installations are closed.

3. That it be mandatory for the Russian Ministry of Agriculture and the Russian Defense Ministry Committee for Servicemen's Social Security to organize the resettlement of servicemen discharged into the reserve in connection with the reduction in the Armed Forces to a rural locality to organize peasant (individual) farms and agricultural cooperatives.

4. To adopt the Russian Ministry of Agriculture's proposal that 1-1.5 billion rubles [R] be allocated in 1992 in accordance with prescribed procedure from state aid funds for peasant (individual) farms to servicemen discharged into the reserve to set up peasant farms and agricultural cooperatives.

5. That the Russian Ministry of Agriculture, the governments of republics within the Russian Federation, and executive organs in krais, oblasts, and autonomous formations, in conjunction with the Association of Russian Peasant (Individual) Farms and Agricultural Cooperatives, carry out work on laying roads and electricity cables, reclaiming land, providing a gas supply and telephone lines, and constructing other parts of the social infrastructure in addition to an agriservice system in areas with peasant (individual) farms and agricultural cooperatives belonging to servicemen discharged into the reserve in connection with the reduction in the Armed Forces, enlisting for the purpose contract construction organizations on the basis of tenders within the limits of centralized state capital investments and local budget funds earmarked for this purpose.

That the Russian Defense Ministry help to implement the above construction work using the Ministry's construction organizations.

6. To extend existing concessions to servicemen discharged into the reserve in connection with the reduction in the Armed Forces and resettled in rural areas in order to organize peasant (individual) farms and agricultural cooperatives.

7. That the Russian Ministry of Trade and Material Resources and the Russian Ministry of Agriculture, in conjunction with the Association of Russian Peasant (Individual) Farms and Cooperatives, find the material and technical resources needed to set up peasant (individual) farms and agricultural cooperatives for servicemen discharged into the reserve in connection with the reduction in the Armed Forces.

8. That the Russian Defense Ministry decide the military camps to be vacated during the reduction in the Armed Forces with a view to handing them over in accordance

with established procedure for the organization of peasant (individual) farms and agricultural cooperatives for servicemen discharged into the reserve.

9. To authorize the Russian Defense Ministry to sell vacated military property to the newly created peasant (individual) farms and agricultural cooperatives for servicemen discharged into the reserve in connection with the reduction in the Armed Forces, on receipt of applications from local organs of military management at a price calculated on the basis of current prices at the time of sale and with consideration for wear and tear.

That the Russian Defense Ministry formulate the procedure for selling military property to the above farms.

10. That the Russian Ministry of Agriculture, the Russian Ministry of Education, the governments of republics within the Russian Federation, and executive organs in krais, oblasts, and autonomous formations, in conjunction with the Russian Defense Ministry Committee for Servicemen's Social Security, organize training for servicemen who have expressed a desire to set up peasant (individual) farms and agricultural cooperatives in agricultural production skills using appropriations allocated for cadre training and local budget funds.

[Signed] Ye. Gaydar.

[Dated] 2 July 1992, Moscow.

Economic Issues

First Half-Year Economic Performance Reviewed

PM2107114992 Moscow IZVESTIYA in Russian
21 Jul 92 Morning Edition p 2

[Ivan Zhagel report: "Restrained Optimism in Face of Production Slump. Economic Situation in Russia in First Half"]

[Text] The Russian Federation State Committee for Statistics [Goskomstat] has summed up the results of the republic's development in the first six months of 1992. These are assessed as quite optimistic, even though there has been a decline in economic indicators virtually across the board.

So what is this restrained optimism based on? On the fact that, even though the volume of social production is falling, a wholesale slump has been avoided nonetheless. On the fact that, even in the context of high inflation, the Russian ruble [R] has been preserved as a reliable means of payment for enterprises and the population. Finally, on the fact that the forecast assessments based on actually sown areas allow us to hope for an increase in the production of grain, potatoes, and sugar beets.

But the overall situation, the Russian Goskomstat report notes, remains complex, and the economy and the population are experiencing serious difficulties. On the whole, industrial production in the first half of the year

was R4.9 trillion (in current prices), which was more than 950 percent up from the first half of last year. But, if the price factor is stripped out, in real terms production in the last six months was 86.5 percent of the level during the same period last year.

A sharp decline in output volumes was recorded in absolutely all the so-called basic sectors—metallurgy, the chemical industry, and machine building. And although this will have no immediate impact on ordinary citizens' living standards, it will undoubtedly affect the pace of the republic's economic development in the immediate future. But most alarming of all is the state of affairs in such an important sector as the fuel industry. The decline in oil extraction, including gas condensate, was 32 million tonnes—or 13 percent—during the first half of the year. And in June oil extraction was 14 percent down compared to the same period last year.

The situation in the republic's fuel industry has largely influenced its foreign economic indicators. Thus, in the first half of the year Russia's exports amounted to \$15.4 billion, which was 35 percent down from the same period last year. Energy sources accounted for 48 percent of total exports. Specifically, oil exports were 24 million tonnes, a reduction of 18 percent, while gas exports were 43.7 billion cubic meters, or 4 percent down.

As for total Russian imports in the first six months, they stood at \$14.8 billion—a fall of 24 percent compared to the same period last year. Thus, the republic's balance of trade was in the black to the tune of \$491 million.

The number of loss-making enterprises continues to grow. As of early June they accounted for 14.6 percent of all enterprises in the republic. Loss-makers include almost half of all publishing houses, around two-fifths of consumer service and housing and municipal service enterprises, and one-fifth of transportation enterprises.

The difficult financial position of enterprises is being compounded by deteriorating payment discipline caused by the cash shortage and the complication of the procedure for transactions between enterprises. Arrears for dispatched output in Russian Federation industry had reached R1.9 trillion as of 1 June this year and were 70 percent higher than at the beginning of May.

This problem has also been compounded by the cash shortage. For this reason salary, pension, and benefit arrears to the population stood at R221.6 billion by the beginning of the second half of the year.

The population's income over the first half of the year reached R1,438.8 billion—which is more than the 1990 and 1991 amounts put together. Nonetheless, many groups of people were on the threshold of the minimum permissible consumption level—which was estimated in June at R2,150, and R1,715 for pensioners. Around half of Russia's population had incomes below this level—7 million people, or 4.5 percent of the population, had per capita incomes of less than R900.

Preliminary estimates put the average monthly salary of workers and employees in the first half of this year at R2,880, an increase of 68 percent over the same period last year. But in June average salaries in the national economy were R4,400 and had increased fourfold during the first half of the year, while prices for goods and services had increased almost tenfold. Pay at private enterprises and joint ventures was 50 to 80 percent higher than at state enterprises.

Naturally, the population's living standard is determined not only by their income growth, but by the government's new pricing policy. Following the across-the-board price rises in January of this year, prices stabilized by early February in conditions of a certain level of commodity saturation. In subsequent months price growth continued, but more slowly, standing (as a percentage of the previous month's figure) at 124 percent in February, 121 percent in March, 115 percent in April, 111 percent in May, and 113 percent in June.

Unfortunately, price growth did not lead to the expected increase in the production of foodstuffs. Thus, in the first half of the year food production fell by 23 percent compared with the same period last year. Production of meat, groats, and confectioneries fell by 27 to 35 percent, vegetable oil by 14 percent, and margarine products by 11 percent. Production of meat, sausage products, and whole milk products fell in all republics, krais, and oblasts; production of cheeses, sheep cheese, bread, and bakery products fell in most areas; and production of animal fat fell in half of the territories.

This June the scarcest products were meat, sugar, and vegetable oil. There was no meat on sale in half of the cities surveyed, and this was the case throughout the month.

The provision of nonfood goods to the population was no better either. Production of all kinds of fabric, hosiery, knitwear, and footwear in the first half year fell by 12 to 24 percent. The main reasons for the decline in light industry output were the failure to supply the sector with raw material and other resources and the difficulty in selling finished products owing to their considerably increased prices.

The decline in the production of complex domestic appliances was somewhat lower, which was to a certain extent linked to the conversion of military production (most complex domestic appliances—80 to 100 percent of total production throughout the Russian Federation—are produced at defense complex enterprises). But even here the shortage of material and technical resources was sharply felt. As a result of the failure to supply components, enameled wire, and other cable products, from January to June of 1992 the enterprises of the complex produced 12 to 21 percent fewer televisions, tape recorders, radios, motorcycles, refrigerators, freezers, and vacuum cleaners than last year.

But the enforced redistribution of the population's expenditure in favor of purchases of foodstuffs has

helped to fill the stores with nonfood goods. Whereas on 25 June 1991, according to the statistical survey figures, one to four nonfood commodity groups out of the 53 surveyed were on sale in all the capitals of the republics within the Russian Federation and in kray and oblast centers, by 25 June this year the figure was 34 to 52 groups. But their prices were virtually unaffordable for most of Russia's inhabitants. The population is finding the high level of prices for children's goods particularly painful.

Nonetheless, despite all these difficulties during the transitional period, the process of shaping the foundations of a market economy looks hopeful. Thus, according to figures from tax organs, the number of registered joint-stock companies in the first half of the year was doubling every quarter, the number of limited-liability partnerships had increased by 70 percent, with the corresponding increases for private individual enterprises and joint ventures being 50 percent and 30 percent respectively.

As of 1 July of this year 53,600 state retail trade and public catering enterprises in the Russian Federation had obtained corporate status, as had 19,900 consumer service enterprises—27 percent and 21 percent of the total number of enterprises eligible for commercialization respectively.

Gaydar's Economic Reforms Called 'Ruinous'

PM2207100492 Moscow SOVETSKAYA ROSSIYA
in Russian 21 Jul 92 p 1

[Article by S. Ulanov, director of the Price Information Agency: "Wrong Note: Who Calls the Tune for Economic Reform?"]

[Text] Moscow—The Russian Government modestly declined to celebrate two notable dates which virtually coincided. It has been 250 days since Gaydar's team received from the president's hands the right to perform experiments on Russia, and that is half the time during which Shatalin and Yavlinskiy undertook to create a market system in the USSR. At about the same time it has also been six months since the shock therapists first plunged the scalpel into our suffering economy.

Experts of different varieties and political hues show an unusual degree of unanimity in assessing the consequences.

The recession in production is gathering speed. No one believes the official figures (15 percent). Experts estimate the reduction in production during the first half of the year to be approximately 30 percent or, compared to the level existing during the last year prior to the start of the recession, more than 40 percent.

Investments are not being made in the national economy. This self-destructive practice began during Gorbachev's time. Today it is the principle means of

eliminating the budget deficit. With the price of investment resources up 30-fold to 100-fold, enterprises are unable even to provide themselves with spare parts, let alone to modernize and replace equipment. Capital construction is paralyzed. The already high level of wear and tear on fixed capital has reached the critical level. The probability of major accidents with serious ecological consequences is increasing.

Hyperinflation is rampant in the country. The government is apparently constantly striving to ensure that the inflation rate... remains ruinously high. The population has been flagrantly robbed. The majority, especially pensioners, students, large families, and young families, have been brought down to the subsistence level or even below it.

Concealed unemployment is festering below the surface. Compulsory administrative leave without pay has become the norm. At any moment, given a toughening of credit policy and the adoption of a bankruptcy law, a vast army of people on "leave" will end up on the streets, officially unemployed. The government prediction of 1.5 million is understated by approximately a factor of ten.

Expectations of financial stabilization have proven unjustified. The Ministry of Finance and the tax service have proven incapable of collecting the planned revenue for the treasury. Things have reached the point where the Army has started trading in weapons to feed soldiers on compulsory service. Having failed to rectify the income situation and having exhausted its "reserves," during the second quarter the government admitted that the budget was in deficit. At the same time enterprises' debts on deliveries and credit was increasing rapidly, reaching the astronomical sum of 3 trillion rubles [R] during the first half of the year. Add to this the cash crisis, the debts—totaling many billions—to workers for their wages and to pensioners for their miserly pensions, and the possibility of embezzling tens of billions of rubles from the banking system with impunity, and you will have a complete picture of the results of the "reformers'" activities.

Who needs all this? There is no escaping the question. The answer is clear. "Gaydar money," as the journalists aptly put it, is given by the IMF and G-7. And they call the tune. Although so far they have not given anything in Gaydar's name, but only promised it. Yet they demand acts of economic destruction immediately. So members of the Gaydar team rush across the ocean virtually every week to report on their achievements and coordinate their next ruinous acts. First they hike prices yet again, then they rubber-stamp a decree on bankruptcy, then they dishonor the ruble by valuing it lower than a cent. Caring not a bit for parliament and putting on occasional hysterical displays whenever an attempt is made to curb the destructive urge, Yeltsin and Gaydar ingratiate themselves with those in control of world capital.

Six months of convulsions in an economy caught in the asphyxiating noose of monetarist policy have brought it to such a state that an explosion (or avalanche, as it is

fashionable to call it these days) of devastation is only weeks away. As for the experts, there are no secrets from them. Even Shatalin's Reform Foundation demonstrated in detail, in a lengthy report, that no breakthrough to the market has been achieved through "Gaidarism."

The attentive reader will easily find in the report the proof that that is not what we should be aiming for anyway—we have our own unique material base, our own collection of problems demanding to be solved, and a unique sociopsychological climate that developed over 70 years of Soviet power. One can agree with almost everything in the report. Only one thing is surprising. After all these years, how are we supposed to wise up in a mere 500 days?

What, in our view, is the strategic design behind the final phase of the "crisis" stage of reform, and what will it mean for the ordinary citizen?

Let us look at the measures to switch to internal convertibility of the ruble. The consequences of the floating devalued ruble for agriculture and processing sectors can be compared with those of free prices for the population. Why this haste? So as to be able to buy up for next to nothing enterprises that have already begun to grind to a halt and are in debt. With a rate of R125 to the dollar, you could buy "AvtoVAZ" or "Magnitka" for \$100 million to \$130 million. The present authorities are in a hurry to fulfill their bosses' instructions and pay them off in mineral deposits (note B. Yeltsin's recent remarks on granting concessions to foreign companies to extinguish debts) and in the fixed capital of leading enterprises.

To avoid sensations like selling off Moscow neighborhood by neighborhood, a "legal" basis is being urgently prepared and key positions are being seized in readiness for the expected main act of plundering, in the name of "privatization." The "democratization" of selling off national assets cheaply will provide the basis for the compulsory issuing of shares in enterprises. After recent decisions, it will not be the criminal authorities auctioning off the enterprises, but their new "ownership experts."

An alarming situation has arisen in agriculture, which reacts faster than any other sector to arbitrary economic fluctuations by reducing sown areas and volumes of output. The increase in prices for agricultural equipment, motor fuel, electricity, and other resources has turned kolkhozes and sovkhoses into beggars.

Learning from bitter experience, farmers will not sell a single grain. Those who sold last year's harvest in the fall felt like real fools on 2 January, because the money they were given for their crops was turned to dust by Yeltsin and Gaydar. Lessons like that are not easily forgotten.

Mention should be made of the explosive potential inherent in prices for output from raising livestock and a number of other sectors of agriculture. The fact is that expenditure in raising livestock is currently largely

pinned to last year's feed costs. When the grain arrives in August with new costs and prices, then there will be a surge in prices for milk, meat, eggs... The situation is the same with sugar beets, cotton, and wool, and in their wake sugar, children's clothing, and many other goods. Our "macroeconomists" do not take these circumstances, or much else, into account.

Russia is on the verge of new upheavals. But it would be nice to think that it will not permit a new desecration and will rid itself of the ruinous legacy of Gorbachevism!

Yeltsin Adviser on Price, Income Changes

OW2207081492 Moscow Central Television First Program and Orbita Networks in Russian 1845 GMT
2 Jul 92

[Interview with Pavel Grigoryevich Bunich, member of the Presidential Consultative Council of Russia and president of the Union of Entrepreneurs and Lease Holders, by Aleksandr Panov; from the "Utro" program—live]

[Text] [Panov] Our visitor today, 2 July, is the well-known economist Pavel Grigoryevich Bunich, member of the Presidential Consultative Council of Russia and president of the Union of Entrepreneurs and Lease Holders. He is well-known not only for his competence, but for the independence of his ideas.

My first question, Pavel Grigoryevich. You know that our present situation is assessed in a great variety of ways by the media, and all kinds of data are cited about price increases and the drop in production. On the other hand, many things and much data are simply not published. For example, what is the state of affairs with people's income? How do you assess the current situation?

[Bunich] First of all I agree with you that the discord is tremendous, even in government quarters. Some ministers say one thing, others say another, and most of all they say different things at different times. Sometimes they even ask if we could have told the whole truth at that time? Only now when everything has already come to pass, when the people have already got used to it all and have learned to put up with it, can we tell more of the truth than before.

Now, about the population's income. About price increases I would say that on one hand, fear makes mountains out of anthills, but on the other there is an evident desire to make it all look rosy and to make it appear as if there was no great increase. I think however that prices grew about twentyfold in one year. You also spoke about income, but the rate of income growth was not published anywhere. Speculation is appearing again in the open press and mass media; some say the rate was high, others say low. It seems to me, if I put it moderately, that income grew tenfold in the same period of time. Thus it turns out that we are now twice as poor as before. But in actual fact I think we have become poorer than this, since the devaluation of our savings were not

included. After all, we did have some savings, real savings—there were 400 billion in the savings bank, and it was before inflation too. In other words, we had something then, but what do we have now? Since there is some kind of trifling percentage added at the bank, the savings were devalued at a rate similar to the growth of prices—prices rose about twentyfold and savings decreased about seventeenfold. So all told, we became some 2.5 to 2.7 times poorer.

[Panov] The most important topic in Russia at present seems to be the government's plan for deepening reforms. This was discussed by the Supreme Soviet on Thursday [16 July]. The plan says that growth in production will begin in three years time. How do you see this plan? Is this the long-awaited solution?

[Bunich] Yes, we have indeed been waiting a long time for it because it calls for three years, when they promised it in six months. It seems a bit too long to me. In the best of all possible worlds, an additional half a year, or even a year, is acceptable. For this reason alone I would treat the plan very guardedly.

There are two more factors. If you take this program, it predicts a price hike of 1,600 to 3,000 percent a year. Yet we are told that there is as yet no hyperinflation. Obviously it is already a fact of life according to this program. Now there are several reasons why the price hike will indeed be steep. So when you asked me if people had done the right thing when they spent their money and I told you yes, now my advice might be confirmed.

As regards fuel, everything is clear. The increase of fuel prices is a sword of Damocles. I mean you can cut off a cat's tail bit by bit, but all of it will be cut off eventually; whether it happens in two stages or three, it will eventually happen. Today's petroleum prices, even after the increases, are 3.5 times lower than world prices. We still have a long way to go and a lot to suffer.

But there are two additional reasons which are as much of a sword of Damocles as the previous one. Previously, when we imported raw certain materials and equipment for the light industry—such as dyes and so on—we converted dollars into rubles according to a set exchange rate in order to convert the cost to our accounts. Now I tell you, every dollar we bought was converted at a rate of approximately 50 rubles. But starting 1 July it will be done according to a floating rate, which is 150 rubles a dollar. This means that all imported raw material, everything that is imported into this country has become three times more expensive.

Regrettably, no attention is paid to the third reason either. Everyone thinks the prices for agricultural products are high and that the agricultural sector wallows in money. Far from it. There is a price discrepancy because the prices for industrial products are indeed high, but they are tortuously low in agriculture.

There are products that still cause losses, and even the profits are negligible—around a miserly 10 percent.

What I am trying to say is that this discrepancy cannot endure; either we will have no agriculture or we will have no discrepancy. However, in itself inflation is not deadly....

[Panov interrupts] But what about the decline in production?

[Bunich] Just a moment... Inflation is not deadly in itself, but for incomes to fall behind is. I have already mentioned that our incomes have fallen behind two-fold. I want to say people cannot accept a greater lag in income than this. Let the prices grow if the market needs it, if the prices need to be adjusted, if the command price clot needs to be dissolved so that prices can become real market prices and so we can buy merchandise when we walk into a shop, even at high prices, since the goods would always be in stock. This would reflect normal prices.

But what about income? Income must become a political statement. I feel we cannot live much longer without such a political statement. The higher organs of power must say stop, this will not happen anymore, there will be no more discrepancies of this kind, we have reached the maximum limit.

Now I would like to turn to your question about decline. If there is decline it will be impossible to say stop to this because if production is falling we will have to tighten our belts. There is no other way out. Nobody will feed us, not in a sustained manner anyway. So we must overcome this decline. I regret that the new government program envisages, with Olympian tranquility, a further increase in this decline. It makes me indignant. Besides, a lot of other things have been added. But even if we believe these figures—and we should believe them somewhat... well not entirely you understand....

[Panov interrupts] Well, basically.

[Bunich] ...it turns out that we will have a 25 percent decline. This means that from the current state of poverty we will fall another 25 percent. We cannot agree to this. Moreover, instead of adopting measures and a fundamental program to eliminate this decline, a decree on bankruptcy was adopted.

[Panov] I think the major event of this month is the G-7 meeting in Munich next Monday [6 July] to which President Yeltsin has been invited. We know that the West is firmly linking its assistance to the acceleration of our reform process. At the same time they are very alarmed over the recent appointment onto Yeltsin's team of such prominent economists as Shumeyko, Khizha, and Chernomyrdin—the Russian stooges of the military industrial complex, as the Western papers call them. What do you think about these appointments, and what effect do you think they will have on the policy of our government, particularly on the process of accelerating reform?

[Bunich] Some sort of propaganda is being disseminated about Khizha and Shumeyko being representatives of

the military industrial complex and of the new Obnovleniye Union—I think that is what it is called, but I'm not sure. The fact that they were previously linked with these people does not mean they were so loyal to them as to continue preaching the ideology of the military industrial complex....

[Panov interrupts] I was just citing the foreign agency in this case.

[Bunich] Yes... and I don't think they are lobbyists. I know two of them fairly well, and I know they joined this team at the invitation of Yeltsin. In this team they will simply add several people to Gaydar's cabinet who know how to make operational decisions. In other words, they will not be determining ideology. I think the same people will continue to take care of ideology.

[Panov] In other words, they will be there to accelerate reform.

[Bunich] Yes, I think they are specialists in adopting operative decisions, which is something lacking in the youthful members of the government.

Now as far as the Munich meeting is concerned, personally I think we will be forgiven—verbally anyway—for deviating from the standard program of the International Monetary Fund [IMF]. And the IMF, if indeed it is interested in seeing us pull through... [changes thought] if it is interested in our failure....

[Panov interrupts] You have some doubts?

[Bunich] I have some doubts. If it is interested in seeing us fail, it will demand precise fulfillment of its program. Then we will fail, just as a number of Central and East European countries have already failed after precisely following the IMF program. This happened particularly in Poland, as Walesa himself said; they copied things too much and look where it got them.

But I am of the opinion that what they need is not ruination—some feel ruination could also be dangerous—but something in between. They must be interested in seeing us stand up, maybe not as giants, but at least in order to get off of our knees. In this case I hope they will forgive us for deviating—understand and forgive, as the French say. But they will not give anything now except maybe some crumbs. In other words, I think they will make more promises.

This is not the first time. You know that of the 24 [billion dollars] promised we have received little more than zero. A benevolent neutrality. But it has some meaning for private Western investors. If the investors did not exist the West would simply not talk to us at all. Now, seeing that the government has responded positively and even made promises, they can proceed. We can absorb a trillion or five trillion dollars. The country is enormous, and this would be just fine; to absorb even 100 billion dollars in private investments would be possible over a period of about seven years, and this is what I hope for.

[Panov] This would be wonderful if they, the serious Western businessmen, were not afraid of our instability, our contradictory decrees, our taxes, and much more.

[Bunich] Yes, they are afraid of many things. They are afraid of political instability. What if the pot boils over and they are nationalized? What you have said about taxes—they change from day to day, going up and down. We cannot live like that in the business world. They are afraid of our racketeers, our social attitudes, our hostility to private capital which, although it pays our workers three times as much, we hate ten times more than our own, which rips them off mercilessly.

[Panov] Well. I have no more questions. I would like to thank you for a very interesting assessment and for your thoughts. I would like to remind our television viewers that our guest was the prominent economist Pavel Grigoryevich Bunich, member of the Presidential Consultative Council of Russia. Thank you.

[Bunich] Thank you too.

Bank of Russia Conference Discusses Policy

PM2207105592 Moscow ROSSIYSKAYA GAZETA
in Russian 18 Jul 92 First Edition p 2

[Report by correspondent T. Karyakina: "Everyone Is In Our Debt, But There Is No Happiness"]

[Text] Tver—A conference of leading workers of the Bank of Russia has ended in Tver. It discussed the monetary and credit policy of the Central Bank of the Russian Federation in 1992.

For a start Lidiya Alyakina, deputy chairman of the Bank of Russia, noted that Tver has gathered together real, hard-headed bankers who have no desire for the big money of the commercial banks and who have remained to serve at their state posts for peanuts. Then the "poor" Russian bankers set about discussing questions specifically relating to money.

The main one is how to curb inflation and give the ruble the functions of a fully empowered national currency. The choice of methods has already been heard frequently: the demonopolization of the economy, the development of privatization, the consolidation of budget discipline. In turn the Central Bank has elaborated its own anti-inflation policy, promising the stabilization of money circulation without carrying out any monetary reforms which would plunder the population and without introducing money surrogates parallel to the ruble. But that is with the most complete agreement with the government and on condition that the growth of wages is frozen.

Conditions will become harsher this year for obtaining credits for state and other enterprises and organizations. They will be issued for a strictly limited period and with property and securities as collateral (as throughout the civilized world—this phrase surfaced repeatedly at the

conference with regard to various subjects). Those who are inflating monopoly prices and holding on to finished output will be denied credits. As will those who are hiding dollar stocks. But for those who are threatened with bankruptcy but who are producing vitally necessary goods credits may be given if the state takes steps for a special regime of management for these enterprises.

It seems that little that is progressive is expected in the field of interest rate policy: At least the Central Bank declares its own abstention from direct restrictions on commercial banks' interest rates. Thus the bank intends to achieve on the credit market a positive level of realistic interest rates. It seems that its leaders with the aid of their new policy have resolved in earnest to set up competition with the smart commercial banks to bypass them in attracting loan funds.

Another avenue in which "real bankers" could rival the commercial bankers is the breakthrough onto the securities market (here the latter have a virtual monopoly). But here a reciprocal liking between the government and the Central Bank is also needed. If there is a liking (if the government begins to pay a higher interest on the credits supplied by the bank) the latter may very well create conditions for the noninflationary financing of the state budget through the placing of new government loans on the market.

We may be proud that Russia has a positive balance in mutual accounts with other partners in the former Union. Everyone is in our debt—to a total of over 200 billion rubles. But there is no happiness. Will the debt be returned? Yes, the conference suggested, if a credit policy is successfully agreed within the framework of the CIS and payment transactions are traced more precisely. Because our neighbors have begun to abuse the new system of accounting through correspondence [korrespondentskiye] accounts—cases of debts being written off on the basis of fictitious letters of advice are not uncommon. The bank has been obliged to protect itself and has even rejected mail services, switching to communications via courier. And in banking in general, as I learned from the conference, progress is such that soon a client will be able to talk with the bank about his account over the telephone.

And here is another piece of news: The Central Bank is prepared in principle to introduce models for the restricted convertibility of the ruble. It will be possible for all citizens and corporate bodies to exchange the ruble for foreign currency at a set rate. And directly on the street of any city, if the administration takes the trouble to organize such a "currency street." But the exchange will only be possible with the passports of Russian citizens. That could happen in the second half of this year if Russia's talks proceed successfully with the IMF, which has promised us funds for currency organizations. The bank also expects help from the EEC—\$2.5 million to restructure the country's payments system.

A problem for which, as the conference noted, the Bank of Russia has been undeservedly criticized—the international writing off of debts [mezhdachet] inside Russia's borders—remains extremely acute. Enterprises' internal debts have already passed the 2 trillion ruble mark but the bank has no intention of writing off debts, as used to be practised previously. Now bank employees are in charge everywhere locally, carrying out inventories of enterprises' card indexes to check which is the larger sum—money earned but not received, or debts? Another card index, the credit one, has been "frozen" and designated by the number three. The "freeze" will operate until actions are coordinated with the national banks of the states of the former Union.

But the demand for payment, so beloved by the economic experts in their accounts, is not being repealed, as Lidiya Alyakina explained, but is simply being switched to a different basis. The basis consists in removing bank tutelage of enterprises and the refusal of credit to those who, on the basis of an inventory of their card indexes, turn out to have a negative balance.

Oil Extraction Falling in 1992

LD2007231192 Moscow Mayak Radio Network
in Russian 2230 GMT 20 Jul 92

[From the "Interpartnyor" program, presented by Valentin Gubernatorov]

[Text] The extraction of oil in Russia fell sharply in the first half of this year, Yuriy Zlotnikov, deputy chief of a department in the Russian Ministry of Fuel and Power Engineering, has reported to the REUTER Agency.

Extraction has dropped by 20 million tonnes. In Zlotnikov's words, oil production will probably continue to fall. He did not rule out the possibility of introducing fuel rationing in the country if the annual extraction of oil comes to less than 300 million tonnes. This may already happen in 1994, noted Zlotnikov.

The proposed plan for the stabilization of this sector of industry, envisaging attracting new investments and increasing prices for fuel, is still being studied by the government, he said. The picture is relieved somewhat by his words that in the first half of the year exports of Russian oil increased a little and reached 31.5 million tonnes.

Statistics Committee Reports Production Slump

LD2007195292 Moscow Radio Moscow World Service
in English 1800 GMT 20 Jul 92

[Text] Amid further recession and economic hardships in Russia, the Government Statistical Committee in Moscow reports about production slump in all basic sectors of the economy including the steel, chemical, and engineering industries in the six months to July. Oil and gas production plummeted by 13 percent, leading to lower fuel exports. There was also a decline in food and

consumer goods output. Experts, however, are somewhat optimistic because of the government's ability to prevent an overall economic collapse and to keep the ruble afloat at the time of runaway inflation.

Other Issues

Yeltsin Decree Appoints Tatarstan Delegates

LD2107163692 Moscow Mayak Radio Network
in Russian 1500 GMT 21 Jul 92

[Text] Boris Nikolayevich Yeltsin signed a decree appointing the delegates from Russia's federal bodies who are to conduct talks on the delimitation of powers between Russia and Tatarstan. It will be headed by State Secretary Gennadiy Burbulis.

Yeltsin Meets Chairmen of Cities Unions

PM2007103992 Moscow ROSSIYSKIYE VESTI
in Russian 18 Jul 92 p 1

[RIA report: "Permanent Link With President"]

[Text] Yevgeniy Makarov, chairman of the Union of Small Cities of Russia, has said that there has been a meeting between the chairmen of the Union of Small Cities of Russia and the Union of Big Cities of Russia with Russian Federation President Boris Yeltsin. "A permanent link with the president's apparatus and with the government" has been established and Russian Vice Premier Vladimir Shumeyko has been instructed to maintain it. Yevgeniy Markov said that the president as a whole supported the plans of the two unions.

Yeltsin Decree Initiates Moscow Rebirth Fund

LD2107171392 Moscow Mayak Radio Network
in Russian 1500 GMT 21 Jul 92

[Text] A special fund for the rebirth of Moscow has been opened in order to revive and strengthen Moscow's role as the political and cultural center of Russia. A decree on this has also been signed by the Russian president. Priority facilities to be financed by the fund include the Church of Christ the Savior, the Russian National Library, the Moscow State University buildings, the victory memorial at Poklonnaya Gora, and the Bolshoi Theatre.

Agriculture Official Interviewed on Harvest

PM2107103992 Moscow ROSSIYSKAYA GAZETA
in Russian 18 Jul 92 First Edition p 1

[Interview with Aleksandr Kalinin, chief of the government apparatus rural department, by Yelena Tokareva; place and date not given: "There Will Be No More Grain Than There Always Is, and Even Fewer Sensations"—first paragraph is introduction]

[Text] That was how Aleksandr Kalinin, chief of the government apparatus rural department, commented on

the government's efforts for the operational management of the harvesting and the safekeeping of the harvest.

[Tokareva] Nonetheless, the government's actions look like emergency measures.

[Kalinin] The government has issued its annual package of documents devoted to the problem of bringing in the harvest, ensuring its safekeeping, and preparing the procurement network. This package includes several rulings on the coordination of ministries and departments and the prompt examination of problems arising where the harvest is being brought in. A staff for the operational management and bringing in of the harvest has been created. Under V. Shumeyko's leadership. A working group ensuring the collection of information and the taking of immediate steps has been created under the staff. It works around the clock. It provides the target for ministries and departments for satisfying the requirement of agricultural and procurement organizations for material and technical resources—fuel and shipment capacities. It provides for measures for economic incentives and financial provision for the harvest. That is particularly important when you consider the crisis in the ability to pay.

We bring in the harvest each year and administrative measures have been worked out.

[Tokareva] The most acute problems?

[Kalinin] Financial ones. The government has succeeded in finding a common language with the Central Bank. Although it has turned out that the Central Bank is poorly informed about the seasonal features of agricultural production. The agreement between the government and the Central Bank includes credits for enterprises of the Committee for Grain Products, agricultural enterprises and enterprises of the processing industry, procurement organizations of the Central Union of Consumer Societies, stockraising complexes, and poultry factories for additional grain and feed.

[Tokareva] To what total amount?

[Kalinin] It has not been determined. But the credits will be preferential, at a rate of 25 percent, with the difference in the interest rate being made up at the budget's expense.

[Tokareva] And the question of implementing these credits in practice?

[Kalinin] That is now a very topical question in supporting agriculture. We have adopted a whole series of government resolutions on state support for agriculture and determined their total sum at the level of budget expenditure on agriculture last year, but most of these funds did not reach the farms—either the private farmers or the state farms. There were many reasons: the delay in approving the budget, the new system of bank accounts, but all these reasons attest that the system for

regulating the economy still does not meet elementary production requirements. And therefore it cannot be deemed effective.

Of the measures to step up support for agriculture we should note the introduction of a 40 percent discount on agricultural equipment on condition that output over and above the compulsory deliveries is sold.

[Tokareva] In my view this measure could rather be viewed as a measure for pressurizing the peasants. What is the figure for compulsory deliveries?

[Kalinin] For the majority of agricultural output it is several times less than last year. That is why opportunities are opening up for the purchase of equipment.

[Tokareva] Did the proposal to make no state targets at all this year come from the agrarian organizations and associations?

[Kalinin] These proposals were put forward several months ago, they were not supported for the simple reason that under conditions of the liberalization of prices it was necessary to preserve absolutely specific proportions for supplying goods in kind to the population. Now such proposals are also coming from rural trade union organizations and agricultural enterprises in connection with the fact that we have still not succeeded in fulfilling promises, if only for the return of debts to agriculture. All the necessary decisions have been made. And the state's relations with the countryside are now mainly in the hands of our financial and credit system.

[Tokareva] Could the entire campaign for the procurement of grain and agricultural products not be undermined because of the poor work of the Central Bank?

[Kalinin] Where economic measures do not work, we shall take administrative measures. For instance, the Ministry of Fuel and Energy should repeal prepayment for fuel and lubricants supplied for the harvest.

[Tokareva] According to my information prices for grain have not yet been formed.

[Kalinin] Indeed, it is a very complex question, mainly because over these six months we have not taken one step forward in forming a sound grain market. It is therefore very difficult to speak of market prices when it is the monopoly system of the Committee for Grain products that is buying grain.

[Tokareva] But what is the alternative? Creating another two or three similar purchase systems? That would simply be three monopolies.

[Kalinin] At least a system should be created whereby the peasant will have, not the present right of formal ownership of the product he has produced, but a real opportunity to dispose of it. At least have a system for storing grain.

One more complexity of the problem of forming the price for grain is the new inflationary spiral of prices for

all agricultural output. For instance, the purchase of grain at the price demanded by the trade union organizations will cause a drastic leap in prices for stockraising output and the price of a loaf of bread. The task of the government and the agricultural organizations is to find a compromise solution with minimal damage to the population and to those who produce grain for stockraising. But we must not forget the strategic task of developing grain production—release from the humiliating import of grain. Therefore grain producers should have guarantees for the sale of output at a price which ensures the recovery of expenditure.

Supreme Soviet

'Transcript' of IZVESTIYA Issue Debate

PM2107154892 Moscow IZVESTIYA in Russian
21 Jul 92 Morning Edition pp3-4

["Transcript of tape recording," made by unnamed correspondent, of part of 17 July Russian Federation Supreme Soviet proceedings: "Russian Supreme Soviet Discussion of the IZVESTIYA Question"—first two paragraphs are introduction]

[Excerpts] As this issue went to press, the editorial office did not yet have the official stenographic record of the latest sitting of the Russian Federation Supreme Soviet session, at which the question of IZVESTIYA was discussed. However, in view of the importance of the debate both for us and, we believe, for our readers, we present a transcript of a tape recording of this part of the sitting, recorded by our correspondent.

So, Russian Federation Supreme Soviet hall of sessions, 17 July 1992:

V. Lisin: Esteemed Supreme Soviet members! On 23 August 1991, by a decision of the editorial collegium of the collective of journalists of the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR, it was decided to suspend the USSR Supreme Soviet Presidium's status as founder and to publish the newspaper with new publishing information. Instead of the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR, the newspaper IZVESTIYA commenced publication, with the journalists' collective as founder.

The newspaper IZVESTIYA was registered that same day, 23 August, by the RSFSR Ministry of Press and Information. These actions were carried out in violation of the USSR Law "On the Press and Other Mass Media." Article 13 of the said Law, in particular, stipulates that only the founder, the body which registered a given mass media organ, or the court is entitled to make the decision to cease publication of the organ in question. An analysis of the situation shows that the bodies stipulated in the law made no such decision. Yet an official publication of the USSR Supreme Soviet was abolished. Because the 31

July 1989 USSR Law "On the Procedure for the Publication and Entry Into Force of USSR Laws and Other Enactments Adopted by the Congress of People's Deputies, the USSR Supreme Soviet, and Its Organs" stipulates that the publication of enactments of those bodies in the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR constitutes their official publication.

The newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR was registered according to the established procedure by the USSR State committee for the Press on 14 August 1990. Its founder is the USSR Supreme Soviet Presidium. The entire material and technical base of the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR, including the publishing house, was the property of the state, under the jurisdiction of the USSR Supreme Soviet. However, when the new newspaper IZVESTIYA was founded, items of property were appropriated without the consent of the owner. Thus the new juristic person—the editorial office of the newspaper IZVESTIYA—is making use of property which nobody has given it the right to use.

The following conclusions can be drawn: The Russian Federation Supreme Soviet, as heir to the USSR Supreme Soviet, can decide to resume publication of the newspaper of the Russian Federation representative organs of power on the basis of the IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR Publishing House and the former newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV SSSR. As for the newspaper IZVESTIYA, the resolution of questions relating to its registration should be tackled by the Russian Federation Ministry of Press and Information in accordance with the procedure stipulated by legislation.

You will see that the materials issued to you contain only a legal evaluation by experts of the founding documents of the editorial office of the newspaper IZVESTIYA and of its status. No member of the working group of people's deputies changed a single letter, even so much as a comma, in that document. In this instance our legal assessment is basically concurred with by the Supreme Soviet Committee for Legislation, specialists from the Institute of Legislation and Comparative Jurisprudence, and other experts. These findings have been issued to you. In preparing our position on this question we confined ourselves to the documents. To facts confirmed by documents. All reports lacking this kind of confirmation were disregarded.

To conclude. In brief, the editorial office of the new newspaper IZVESTIYA has put itself in a special position. All other newspaper editorial offices are in the relationship of clients to the publishing houses, and pay for the lease of premises, printing services, transport, communications, and dispatch. The link between IZVESTIYA and the publishing house enabled the newspaper's editorial office to make use of state property, in effect, free of charge. That's all. Thank you. [passage omitted]

Deputy A. Adrov: Esteemed Vladimir Pavlovich [Lisin], I put a question at the Presidium session, and I wish to repeat it. On whose behalf is this draft submitted? That is, who is the author of the draft? I mean the draft resolution.

V. Lisin: I understand you. I think you can read it there, in the documents that have been issued, it should say clearly on whose behalf this draft is submitted.

A. Adrov: It says why it is being submitted. It says that it is being submitted on the basis of a Congress resolution. But who is the author? Who drafted it, who is submitting it? I think this is fundamental. All our documents say...

R. Khasbulatov: Aleksey Nikolayevich, we told you at the Presidium session: The commission drew it up. Incidentally, I read it at the same time as you did. You keep asking: Who, who? Well, Lisin here. Nikolay Timofeyevich Ryabov here. Who else was on your commission? Experts. They drafted and submitted proposals.

A. Adrov: At the Presidium session N. Ryabov quite clearly gave the information that the draft was drawn up personally by...

V. Lisin: Any other questions?

R. Khasbulatov: I don't know who did what. It's interesting. You seem to think there is some kind of mystery here... Any questions, please? [passage omitted]

Deputy V. Varov: Esteemed colleagues. Three points. I am very distressed that these rather significant materials and draft resolution were in effect not discussed at a single committee or commission, even the committee on legislation. This is particularly significant in the light of the fact—incidentally, I was on the commission, but I didn't see any of this either—that the draft resolution, which records alleged infringements of legislation, does not cite a single act of legislation or a single point that is violated. That is to say, the legal conclusions are totally arbitrary. But even that is not the main point, esteemed colleagues. In this situation, it seems to me, it ill behoves the Supreme Soviet—as a legislative body—to assume the functions of a judicial body. If there have been infringements, then of course it is fully in accordance with the law to refer the materials to the judicial bodies, and then the question will be examined and resolved according to the law, quite calmly, and, as V. Lisin says, without politics coming into it. I therefore propose to you, esteemed colleagues, that the question be dropped and that we move on to more serious matters.

Deputy G. Sayenko: I am amazed at some of my colleagues, who put forward all kinds of arguments in the attempt to avoid considering this question. I just don't understand, how can we call ourselves property owners, if we can't even make a responsible decision about our Supreme Soviet's property? Only yesterday we were having difficulty finding the money to finance the mass media, including those belonging to the Supreme Soviet. I therefore categorically protest this proposal. We have

already voted, and are examining the matter. I have a question for N. Ryabov. He was leader of the team. Considering that the examination of this question is simply being deliberately dragged out, so as to avoid making a decision. Is it the case that there is a time factor in operation, Nikolay Timofeyevich, so that we have to make a decision today? Because if we defer the matter until the fall, we will simply lose any chance of examining the matter in future?

R. Khasbulatov: Fine. Esteemed Supreme Soviet members and all those present. I would like to ask you a question. Here we have ROSSIYSKAYA GAZETA—a publication of the Russian Federation Supreme Soviet. What do you think, could the editorial office of this newspaper—which is published throughout the territory of the Russian Federation—autonomously, without consultation, and without our permission, suddenly stop publishing as a newspaper of the Russian Federation Supreme Soviet? That's question one. Question two. In fact, it is just one, fairly simple, question in this context: First—did a newspaper which had been published for more than 70 years as the newspaper of the soviets, on the territory of the Russian Federation, have the right, without the consent of the Russian Federation Supreme Soviet or at least its Presidium, autonomously to reject its affiliation to the Russian Federation's representative bodies, that is, the soviets of people's deputies? Did a newspaper published here and registered with our appropriate administrative bodies have the right autonomously, without our consent, to constitute itself as a different publication, that is, not a publication of the soviets? That is quite a simple question. And what does the court have to do with it? Supposing Logunov (ROSSIYSKAYA GAZETA's chief editor—editor's note) were to commit such an infringement, would we consult with you and go to court? Or impose order ourselves? And a second question. Which is very well formulated in ROSSIYSKAYA GAZETA itself. What is at issue? The fact that what is, in practice, a private newspaper is effectively making use of state property. Those are the two questions. There are no other questions. Both these questions are questions for the Supreme Soviet. If you want to discuss them, discuss them. If you don't want to discuss them, if you want to evade responsibility—fine.

Deputy N. Pavlov: I don't really understand why no one has clarified with V. Lisin, specifically, the point raised by my esteemed colleague Varov, who says that there are no references to any specific articles, but here in the documents we have a letter to Sobolev, chairman of the Moscow Registration Chamber, signed by Deputy General Prosecutor Keslerov, which indicates specific articles of, in particular, the law on enterprises and entrepreneurial activity. The deputy general prosecutor expresses the view that the act of registration of the limited company—the IZVESTIYA concern—should be revoked. I think these two questions—and it is very hard for me to agree with Ruslan Imranovich today, after our argument yesterday—the two questions he formulated

are, on the whole, the most important. Basically it must be stated clearly that the point at issue today is that what is, in practice, a private newspaper was set up on the basis of state property, taking advantage of the state's transitional status between one state regime and the next. The political aspect is not at issue here. A purely legal, juridical aspect is at issue—can they do this, or not? You could say, fine, as long as this newspaper—and I think some representatives of the newspaper would say this—that as long as this newspaper was praising our Supreme Soviet, they closed their eyes to it. And that goes for certain profoundly esteemed leaders, too.

R. Khasbulatov: You're implying me...

N. Pavlov: No, Ruslan Imranovich, you know I'm not implying anything. If I decide to criticize you, I'll criticize you straight out. So what makes you say that?

R. Khasbulatov: It's no joking matter...

N. Pavlov: Who's joking, when it's gone 6 o'clock already! Seven, even... Yesterday we were sitting until 11, and today... Ruslan Imranovich, let's be frank. After all, that is what Mr. Golembiovskiy [IZVESTIYA editor] will accuse us of, tomorrow. There will be people who will admit that, yes, there were legal infringements, but look how unprincipled this Supreme Soviet is! As long as they were describing the Supreme Soviet as the bulwark of democracy, it turned a blind eye, it paid no attention to the fact that they had snatched the newspaper from under its very nose. And set up a concern, into the bargain. But you see, as soon as they start saying that the parliamentarians are, so to speak, useless, you know, and that all the brains are now concentrated in Gaydar's team, then they promptly decide, so to speak, to call them to order, this collective, and start, so to speak, twisting their arm. They aren't interested in the truth, these people will say, they're only interested in political expediency. That is the point at issue. So let us, for once in our lives, act in a principled manner. Yes, they are going to criticize us tomorrow. Especially the leadership and especially Ruslan Imranovich, even though today he is behaving remarkably mildly and remarkably tactfully, and not upsetting anyone. I don't know what's come over you, Ruslan Imranovich! Let us take this matter to its conclusion.

R. Khasbulatov: It's the last day of the session. How can I behave badly? We're parting for two months...

N. Pavlov: I understand, it's the last day. So let us take this to its conclusion, in spite of everything. Why? Because if we give way now, if we take fright now, and that is what some people have in mind, then tomorrow they will be very severely criticized, you realize. If we give way, if we fail, so to speak, to show a principled approach, then how can we go on? Personally, I like IZVESTIYA, because former CPSU Central Committee member Mr. Latsis follows everything I say, even at rallies. Without this newspaper, who is going to give me my publicity?

Deputy P. Filippov: Esteemed colleagues, I want to draw your attention to the fact that we have heard several times the words: "in practice, a private newspaper." As long as you or any Russian citizen have no evidence of ownership of any property, for instance, the ownership document for a car or shares in IZVESTIYA's capital, the newspaper cannot be considered private. It does not belong to the citizens.

R. Khasbulatov: Yes, that's right. Private only "in practice."

P. Filippov: An analysis carried out on the newspaper IZVESTIYA indicates that state capital certainly accounts for more than 50 percent. It is 99.9 percent state capital. To this day this is a state newspaper. And if some state enterprise or the leadership of a state enterprise is ever not to our liking for some reason, we don't say that the director of that state enterprise—a private individual—is using state property for his own purposes. We know very well that it is a state enterprise. The same applies to IZVESTIYA. I would ask you to take that into account in making your decision.

R. Khasbulatov: Petr Sergeyevich, is it really a state newspaper to this day? Then there is nothing to discuss. We will make our decision in five minutes, and that's that. We will not publish any new newspapers. New or old. We will simply put, say, "ROSSIYA—the newspaper of the Russian Federation representative organs of power"—and this state newspaper can get on with publishing. That's all there is to it, if it is a state newspaper. In that case I don't understand what the problem is or what the argument is about.

Deputy Yu. Nesterov: I wanted to answer one of your questions, Ruslan Imranovich: whether the newspaper could renounce its founder without asking the Supreme Soviet of the Soviet Union...

R. Khasbulatov: The Supreme Soviet of the Russian Federation...

Yu. Nesterov: And whether it could reject our status as founder, if ROSSIYSKAYA GAZETA were to do such a thing? My answer to that question would simply be—yes, it could, if the Russian Supreme Soviet and Congress acted in approximately the same way as the Union Supreme Soviet. That is, if they had witnessed an attempted coup d'etat in silence and therefore in effect connived at it. So let us put it like this: We cannot give a legal assessment, because we are not the court. So whether we like it or not, ours will be a political assessment. And politically we should support IZVESTIYA's progress toward freedom, if only by refusing to discuss this question today.

R. Khasbulatov. All this refusing and rejecting. Good heavens, we're rejecting something important here...

G. Sayenko: Ruslan Imranovich, I didn't hear an answer to my question...

R. Khasbulatov: Nikolay Timofeyevich, please.

N. Ryabov: To be extremely brief, let me say this. Unless we resolve the question of our legal inheritance by 23 August, we lose the right to do so.

G. Sayenko: That is clear, I think, to the majority of our deputies.

Deputy V. Isakov: Esteemed deputies, I too wanted to know who is not only the founder, but the owner of the [IZVESTIYA] concern. I took out the USSR Supreme Soviet Presidium Resolution of 17 October 1991. You have it in your package of documents. Point 3 is underlined. But note Point 2: "It is stipulated that the IZVESTIYA concern is the legal successor to the existing IZVESTIYA complex, bases its activity, including export and import operations, on economic autonomy in accordance with the procedure laid down by USSR and RSFSR legislation, and exercises the right of full economic control of the property on its books." That is to say, nobody transferred the ownership of this property. Only the right of full economic control was transferred, that is, ownership remained with the state. I think we are entitled to discuss the fate of this property package, since it is owned by the state.

R. Khasbulatov: I am going to put it to the vote now. To see what decision the Supreme Soviet adopts. So, esteemed deputies, so that I can ascertain your feelings, maybe first we should vote on however many proposals there were, several proposals, that it would be better to refer all this to the courts, to the prosecutor's office? True, the prosecutor's office has set forth its findings. But the deputies are entitled to make any decision they like. So then I will put the question like this: In accordance with the proposals that have been made, should we terminate the discussion now and refer the matter to... whom? To the courts? To the prosecutor's office? Yes? I mean, if the majority wants to stop the discussion. That's what I'm saying—proposals have been made. So that I can ascertain the deputies' feelings, what is the majority view, do we adopt a decision here, or refer it to the courts? I have to know your feelings about this. Am I right? So first I will put it to the vote in order to find out who wants to do what. So that we don't waste time, to find out your feelings. Therefore I propose, in accordance with the proposal from Varov and several other deputies, that we terminate the discussion and refer the matter to the courts. So that they can look into it. Please vote. If you want to make the decision here, then naturally you will vote against. Do you understand? So please, who is in favor of terminating the discussion and referring the matter to the courts? Please vote... Let's see what the deputies want. Proposal rejected. So we must discuss the draft resolution. Here we are. Please vote: All those in favor of commencing a discussion of the draft resolution. Any resolution you like, on this question. Please vote. Of course, any amendments are possible. We need some kind of general proposal as a basis... Adopted.

Voice from the auditorium: According to procedure...

R. Khasbulatov: According to procedure, microphone number one, please.

Deputy I. Yeregin: I ask the Supreme Soviet to vote on giving the floor to IZVESTIYA Chief Editor Igor Nesterovich Golembiovskiy and to Doctor of Juridical Sciences Professor Mikhail Aleksandrovich Fedotov during the discussion of this question.

R. Khasbulatov: We know Mikhail Aleksandrovich, we also know that he is a doctor. He is also deputy minister of information and chairman of the Russian Intellectual Property Agency [RIPA]. We have known him for a long time.

I. Yeregin: I ask for a vote.

R. Khasbulatov: So, esteemed deputies, there are experts among us, there are also others, from the Prosecutor's Office. I do not know whether they should all be given the floor. Golembiovskiy should probably be heard, the chief editor. If you feel that it is also necessary to hear from doctors or academicians—there are plenty of them here. I would propose that the Supreme Soviet hears what Golembiovskiy has to say. Thus, I put it to the vote: Who is in favor of hearing out the newspaper's chief editor, maybe he will offer some compromise option? Please vote. Who is in favor of giving the floor to IZVESTIYA Chief Editor Igor Nesterovich Golembiovskiy? Adopted.

I. Yeregin: Ruslan Imranovich, I ask that the second proposal be put to the vote.

R. Khasbulatov: What proposal?

I. Yeregin: The Supreme Soviet is entitled to hear what Fedotov, author of the Law on the Mass Media, has to say.

R. Khasbulatov: Fine, it is obviously entitled to hear what the author has to say. Why not? Why should the deputies not be entitled to know the law? Therefore, esteemed deputies, it will be fine if you wish to hear him out. Please vote—for Fedotov, deputy minister of press and information.

Voice from the hall: (Inaudible)

R. Khasbulatov: What was that? Deputy what? Chief of RIPA. Yes. Actually, our experts nonetheless conclude that this RIPA was illegally constituted. (Laughter in the hall) So the law will be adopted in the fall... The collective is not to blame, and it is hardly necessary to create yet another newspaper. In my view, here we must adopt some sort of decision. Igor Nesterovich, if you please.

I. Golembiovskiy: Esteemed people's deputies! Esteemed chairman! Thank you for this opportunity to address you. First—and I have been authorized to state this on behalf of the IZVESTIYA editorial office collective. We deem the Supreme Soviet's draft resolution illegal. As regards breaches of registration procedures, Article 18 of the Russian Federation Law on the Mass Media reads: "In the event of any reorganization of the founder—being an association of citizens, enterprise, institution, organization, or state organ—its rights and obligations pass in full to the editorial office." This

provision is treated in exactly the same way by the relevant Union law. We agree with the ideas that have been expressed that the situation being considered by the Supreme Soviet concerns relations between the founder, the editorial office, the publisher, the owner, and others claiming their status. But, as provided in the Russian Federation Law on the Mass Media, these disputes are settled by the court.

Second. Everything the IZVESTIYA newspaper publishing complex has at its disposal is state property, it belongs to the state. The claim by the ROSSIYSKAYA GAZETA editorial collegium is deliberately misleading. The IZVESTIYA journalists' collective owns only the intellectual structure. About the fact that the editorial office enjoys the benefits of state property. For the information of people's deputies, as of today the editorial office has invested 225 million rubles and \$560,000 from its revenues in the newspaper's production. (Commotion in the hall) I will answer any questions you may have.

For your information: We are paying for the maintenance of the premises, for the maintenance of motor vehicle transport, for printing services, and for the newspaper's distribution.

Third. Having proclaimed itself the USSR Supreme Soviet's legal heir as regards the mass media, Russia's Supreme Soviet has thus inherited in full the ideological base of the former USSR's former Supreme Soviet. And one last point. I would like to get this clear, if only in my own mind: Given our complex life, what is the point in ruining a printing structure that functions normally and a normal newspaper. Thank you for your attention.

R. Khasbulatov: Igor Nesterovich, please forgive the deputies and me, but let me ask you this. Why is it that in this complex period of time you, being a highly experienced editor, are trying to artificially—and at a highly professional level—drive a wedge between the Russian Federation's Supreme Soviet and its president? This is to begin with. Second. Why is it that you, esteemed Igor Nesterovich, are deliberately whipping up hysteria and psychosis? Please look at the way radio and television, probably following your example, the way our television workers offer such scant coverage of the Russian parliament. How do you find the opportunity to spend hours on end debating the problems of your newspaper which are of interest only to you and your associates? That is all. Ask yourself these questions.

I. Golembiovskiy: Begging your pardon, Ruslan Imranovich, I am not in charge of television. If I get invited, I go there.

R. Khasbulatov: Obviously. You get invited. But why invite you? Why not invite deputies who are hard at work for months on end? It is obvious why you get invited. Because you are at war with the Russian parliament.

I. Golembiovskiy: This is not true.

R. Khasbulatov: Fine, are there any questions?

Unidentified deputy: Your newspaper, IZVESTIYA, constantly carries material on nationality questions and offers biased coverage of everything. I could mention several articles, but I am not going to. We, people's soviet deputies from Kabardino-Balkaria, spent three months trying to get you to publish in your newspaper your opinions and views on interethnic relations in Northern Caucasus. You refused, why did you? This is to begin with. My second question. Be that as it may, and we said this repeatedly today, IZVESTIYA was nonetheless founded by its journalists. Why should we channel money away from other problems and give you the money? You see, the journalists served the party all their lives, they received money from them. Do you receive any money from the government now?

I. Golembiovskiy: Forgive me, but I did not understand your question. We receive no money from parties. We receive money from the Ministry of Press, just like all other newspapers. I can tell you how much.

Deputy G. Sayenko: No wonder you referred to the legal basis, it is your starting point. In order to justify whatever has happened, to substantiate the grab-what-you-can privatization of property, which is now your source of revenues. But why was it that when other newspapers were being leveled down, when other editorial offices were being asked to make contributions running into the millions, why did you not stand up in solidarity with your colleagues? From PRAVDA, SOVETSKAYA ROSSIYA, and other newspapers? Why?

I. Golembiovskiy: With whom should we have stood up in solidarity? I did not understand your question. When PRAVDA was closed down, IZVESTIYA was the first to advocate that it resume publication. We are not to blame for what befell them afterwards.

Deputy Yu. Shikharev: I have a purely practical question. How do you make profit if you receive subsidies from the state budget?

I. Golembiovskiy: We earn profits from advertising. We have been carrying advertisements for three years now. Do not raise your hands. I will tell you how much we have earned from advertising so far this year and how much we will earn through year's end.

Deputy S. Kovalev: So now, esteemed Supreme Soviet, everything has fallen into place. Judging by the heated debate, nobody cares whether IZVESTIYA was founded legally or illegally. This is correct, because it is up to the court to decide this. For your information: The Supreme Soviet is not empowered to make whatever decision it likes. There is an independent judiciary, and it alone is empowered to examine complex legal relationships. But by no means all. This is not a question. Question time is over, as far as I can recall.

Deputy Gerasimov: Before asking my question, I would like to say that I have been reading IZVESTIYA for 20 years now, and today it is one of the newspapers to which I subscribe because it is the newspaper on which I grew

up. To be honest, some of my colleagues have made me feel awkward today. Namely because of the dual morals and dual standards demonstrated by many of them today. I have very high regard for Kovalev, but he was wrong in saying today that we are trying to make a legal appraisal of this act. We are indeed trying to make an appraisal. The newspaper earned a long time ago its reputation as a fighter against bureaucracy, the party nomenklatura, the grab-what-you-can privatization, and so on. How come that we are talking this way today, creating three limited companies, saying that you are a state enterprise, speaking of profits which belong to the state. After all, a newspaper must set an example of normal human privatization. Let us create an open-style joint-stock company. This would be proper. But then all questions will be redundant. Today we have a newspaper which has always struggled against the nomenklatura, itself setting an example, making an attempt to effect that kind of privatization. How come?

I. Golembiovskiy: That shows a lack of information. There is no privatization in the editorial office, nor in the publishing house either. You are quite right, we are prepared to set up a joint-stock company. And we will do so. But I simply cannot fathom what the esteemed deputy said about grab-as-you-can privatization. What I can tell you is this, for two months now the editorial office has not been receiving its pay, just like everyone.

R. Khasbulatov: Esteemed deputies, let us wind up the questions. Unless you have any objection, we will give the floor to a representative of the Russian Federation Prosecutor's Office who inspected the newspaper. You want to listen. Please go ahead, Vera Sergeyevna Kulagina. Thank you, Igor Nestorovich. I will put it to the vote. She carried out an inspection on the instructions of the prosecutor's office. Who is in favor of allowing the prosecutor's office representative to speak on this question? You want to know the truth. But now there are some more questions. I thought there were no questions. We are not having a trial, we are having a Supreme Soviet session. But you should not ask that.

V. Kulagina: I simply want to make a clarification about Igor Nestorovich's speech. When he was asked where the newspaper editorial office gets its money, he said: From advertising. Advertising is handled by the "IZVESTIYA-Burda" joint venture. The articles of incorporation indicate that the founders are the publishing house of the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV and the editorial office of the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV. In this case only the publishing house could have been the founder of the joint venture at that time since the editorial office of the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV was simply a subdivision of the publishing house. And since they were not a legal person, they are not entitled to be founders. I think this is clear to everyone. And if the advertising revenue is going to the editorial office of the newspaper IZVESTIYA, what is more, of a new newspaper, not IZVESTIYA SOVETOV NARODNYKH

DEPUTATOV, which was the founder of this joint venture, although it did not have the right to be the founder, but the editorial office of the newspaper IZVESTIYA. [sentence as published] Of a new newspaper. I cannot see why this advertising revenue is going into the account of the editorial office of the newspaper IZVESTIYA. That is point one.

Two. The business [raschetnyy] account of the newspaper IZVESTIYA's editorial office was opened only in March 1992. Even the current [tekushchiy] account was opened only in February 1992. In my view, it is clear that it is only since then that any money could go to the editorial board of the newspaper IZVESTIYA, if indeed it could go to it.

Now, esteemed Igor Nestorovich, I think the Supreme Soviet Presidium session said clearly and distinctly that we cannot be guided by the Russian law on the press. Because the Russian law on the press was, entered into legal force only 8 February 1992. [sentence as published] The editorial office of the newspaper IZVESTIYA was set up in August 1991. As you know, the law is not retroactive. But even if this law had existed, Article 18 of the law cannot be applied to the editorial office of the newspaper IZVESTIYA. I am simply repeating this article because I am accused of legal incompetence in today's issue of IZVESTIYA, so I am going to cite chapter and verse. I will simply read you Article 18 of the Russian Federation Law on the Mass News Media. "Status of the founder. In the event of the elimination or reorganization of the founder—association of citizens, enterprises, institutions, or organizations or state organ—its rights and duties pass in full to the editorial office, unless otherwise stipulated by the statutes of the editorial office." Everything is correct, if as of December 1991 the editorial office of the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV had existed, in this case the rights of founder would have automatically passed to this editorial office. But in December 1991 that editorial office and that newspaper no longer existed. A new newspaper had been created, and publication of the newspaper IZVESTIYA SOVETOV NARODNYKH DEPUTATOV was terminated by willful decision of the collective of the editorial office of the soviets of people's deputies... [sentence as published]

R. Khasbulatov: Let us move on to the discussion. What are we going to do? Despite everything we have to find some sort of sensible compromise, we really do. Of course, Vera Sergeyevna is quite right that the publication of the newspaper of representatives of the organ of representative power was implemented by the willful activity of a group of journalists, of the leadership of that newspaper. That is obvious. What are we to do? Those who say that probably many people in society will see this as pressure on the part of parliament, as a backlash over criticism, and so forth are also right. That may be so. What is the mildest solution that there could be? I would propose the following option. Maybe consisting of one or two points. Should the IZVESTIYA masthead in the future go on to say, as it did in the past, "newspaper

of the USSR Soviets of People's Deputies"? Instead of that, since it is also published in other Commonwealth countries which have other organs of power, it should simply say: IZVESTIYA—organ of representative organs of power. And that is all. IZVESTIYA—organ of representative organs of power. And let it publish. We will thereby restore legality and grant the selfsame freedom that it enjoys. Especially as I greatly liked the speech of Petr Sergeyevich Filippov, who convinces us, and I am sure of this, that it is a state newspaper, not a private newspaper. So here we are not changing any legal relations. I think that is the mildest solution. If the newspaper also agreed... I think it is not worth creating another publication and causing trauma, sharing out the offices, issuing instructions to the Press Ministry to seek something of the sort, some sort of publications, and so forth. And if they like, we have our own paper—ROSSIYSKAYA GAZETA—and we will legitimately let it go its own way. As a private paper, if they ask us to. Tell me please, are there any proposals about this exceptionally mild and sensible proposal?

Deputy I. Yerevin: I think that violations of the law, if there have been such, must be rectified only by lawful means. According to the Law on the Mass News Media, it is for the courts to terminate publication of a paper. But by changing its legal status, we are effectively closing the present newspaper IZVESTIYA as the newspaper of the journalistic labor collective and publishing a different newspaper. Only the courts are entitled to decide this, not the Supreme Soviet, for all its powerful legislative potential.

Deputy S. Nosovets: I totally support my committee colleague Igor Yerevin. And I want to explain that we are actually acting contrary to our law and completely failing to consider the position of our potential cofounder—the collective of the newspaper IZVESTIYA. I remember the background to this question, I remember that the question of IZVESTIYA was submitted by a deputy at the Congress... in that case, I have a question, why should we not submit the question of the constitutionality of Nevzorov, or again of SOVETSKAYA ROSSIYA, why are we taking this out of context? I back the proposal to remove this question. To refer it to the courts.

R. Khasbulatov: Why say this again now? Unfortunately, the question arose in the process of an inspection, and a great number of violations were discovered.

Deputy A. Aslakhanov, chairman of the Supreme Soviet Committee for Legality, Law and Order, and the Struggle Against Crime: Ruslan Imranovich, you asked about lawyers' opinion about the prevailing situation. I tried to speak, but I did not get a turn. In my view, we are now creating a very bad precedent. The prosecutor's office has expressed its viewpoint, and that is fair, that is correct. IZVESTIYA has expressed its viewpoint. I would say that both the arguments adduced by the prosecutor's office and the arguments accused by IZVESTIYA are in some respects debatable and in some

respects have some foundation. When we now assume the functions of one branch—the judiciary—I think we are creating a precedent that we may subsequently regret. I have no doubts that if we now assume the function of the courts, the next step will be that this is examined in the Constitutional Court. We are magnificently winding up our session today and I would like to see us without inflaming the situation... instruct the courts to examine before 19 August the correctness of the adopted decision, and then we could make some sort of decision.

R. Khasbulatov: Esteemed deputies, I simply ask you... simply not to bring forth such views. I voted and was a supporter of making a decision, period. But you resolved merely to examine the issue. What are you discussing now? Some decision must be made. How many times can you postpone the question. But do you have the courage at least to approach this question honestly?

Deputy A. Surkov: Esteemed colleagues, it is probably quite right that we cannot tolerate the fact that there was one vote, it did not gather the appropriate majority, and now there is another. I am referring to the resolution. But at the same time there is something I would particularly like to note. What we have just been hearing, I am repeating a bit, from Golembiovskiy and the representative of the prosecutor's office—that should worry everyone. This question requires a skilled legal solution. In view of this I do not think we can close our eyes to any grab-as-you-can privatization. This is natural, but at the same time, we cannot decide something at a stroke. Of course we must now adopt a Supreme Soviet resolution, bearing in mind that this is now a totally disputed point, about the birth of this organization and refer the question of present rights to ownership or not ownership or instruct prosecutor's office organs to prepare materials and refer them to the courts. Probably that kind of resolution would be acceptable.

R. Khasbulatov: Quite right. The first point should restore the original situation, or, as lawyers say, make restitution: "Newspaper of the Russian Federation Soviets." And the second point should say: Let the courts, prosecutor's office, and so forth investigate. That's all. Two points.

Deputy P. Filippov: Esteemed people's deputies. You remember the saying: The world may be collapsing, but the law reigns supreme. In regulating the activity of any state enterprise and state property, we regulate it through the law. And by granting the relevant powers to the executive authorities, the directors of state enterprises, and so forth. If there are any clashes we allow the solution of contradictions through the court. An attempt directly here, in the Supreme Soviet, to assume the powers either of the executive authorities by disposing of property... (recording breaks off)

...For the court to investigate all the intricacies of property relations and resolve the question exclusively on the basis of the laws we have adopted.

Unidentified deputy: Esteemed deputies, what do we see when the rights of the property owner are violated? There is a specific procedure: The owner appeals to the organs which should resolve this dispute. As of today the Supreme Soviet is the only organ to which our voters have delegated the power to represent their interests as the owners of state property. Only the Congress is above us. And the Supreme Soviet, unless it defends its rights as owner, assessing the situation somewhat differently, cannot become the defender of the interests of the voters who have delegated that right to us. That is one point. As of today we are the founders of those publications which came to us naturally from the Union. And on a number of issues no one has any doubts—a number of issues of property, of types of property. So I believe that today the Supreme Soviet should assess as unlawful possession the use of the state property of the publishing house to which it was assigned and present this question for examination to the relevant law enforcement structures. In particular the prosecutor's office. And no executive structure is needed here, I have in mind the Council of Ministers, because the Council of Ministers has a headache over its property. And the prosecutor's office, having examined the question, will raise the question of initiating or refusing to initiate criminal proceedings. I believe that we should vote for that.

R. Khasbulatov: A specific proposal.

Deputy: The proposal to refer materials on this case of violation of the use of state property to the prosecutor's office to examine the question of initiating criminal proceedings.

R. Khasbulatov: The first question and the second point. And the first point?

Deputy: Take note of the first notification.

Deputy S. Kovalev: I had in fact already begun my speech and I shall not prolong it. I believe that the Supreme Soviet is now on the brink of a fatal step—interfering in the functions of another branch of power, which contradicts the law on the separation of powers which we have adopted. I have no doubts at all as to the decision which the Supreme Soviet will nonetheless vote on. Nor do I have any doubts that, when an appeal has been lodged with the Constitutional Court, this decision cannot fail to be repealed. I believe that the only solution... you called for courage, Ruslan Imranovich... I respond to your appeal. I believe that courage consists in admitting your own mistake. Courage consists in stating clearly that this is not within our competence. We do not have the right to make a decision which is not ours to make by law. So we are faced with a choice: The Supreme Soviet decision will be overruled by the constitutional court in strict accordance with the Constitution or we can hand over the decision to the appropriate branch of power, with no fewer rights than we have ourselves. That is the only legitimate solution of the question.

Deputy S. Shustov: I suggest adopting a resolution with two points. We should note in the first point what we

have heard here. Take it all into account. And in the second point we should instruct the prosecutor's office to prepare materials and pass them to the court. Thank you.

R. Khasbulatov: Please, the first point. General prosecutor.

Deputy V. Stepankov: Esteemed members of the Supreme Soviet and those present. Today we are discussing three subjects of a legal settlement. There is the publishing house, the concern, and the editorial office of the newspaper IZVESTIYA, which was registered in August 1991. Here there are purely legal questions in which, as some of the speakers have rightly said, the Supreme Soviet should not interfere. The prosecutor's office has reached the conclusion today that the creation of a bridging concern which would unite the editorial office of the IZVESTIYA of August 1991 with our old state publishing complex has been deemed illegal. We have lodged a protest with the organ which registered the concern and we cast doubt on the creation of the concern, not the editorial office. If this protest is acted on then the publishing house itself and the IZVESTIYA editorial office created in August 1991 will remain. If this protest is not acted on, we have the right and the duty, in seeking to have it acted on, to appeal to the court only over the case of this protest. And I ask the deputies not to urge that the court be obliged to examine something. These are the legal authorities and no one has the right to compel them to examine something. So I suggest that our questions, which the prosecutor's office is studying, and the protest which we have lodged should not be included at all in this resolution and only the following point be included. We now have a Russian law on the mass media in operation. And we do not have the right to close a newspaper even if it was created in contravention of the law in August 1991. It was registered by the Ministry of Information and we can write here: The Ministry of Information must be instructed to investigate the legality of that newspaper's registration. Because—apart from the court—the registering organ also has the right to demand correct foundation documents, to make changes, and so forth. And if our protest is acted on, we shall remain—the publishing complex, the Supreme Soviet, the IZVESTIYA editorial office—and our right in accordance with the Russian law on the mass media to create another newspaper. [sentence as published] Any newspaper. That is our right. And I think that instructing the court to intervene here...

R. Khasbulatov: So, Valentin Georgiyevich, you support that viewpoint. We answer correctly or incorrectly. We should not like to make a mistake, violating the Constitution. What is it, first microphone?

Unidentified deputy: I believe we must note facts and circumstances. One of the points—be it the first or the second point of this resolution—is to ask the ministry to investigate the legality of the registration of IZVESTIYA in August 1991 so that, proceeding from the laws and the situations obtaining at the time and now, they can assess what masthead there should be, who is the founder, what

property it should have, and whether this newspaper should become a corporate body. Here legal questions simply remain outside the framework of this resolution and we must decide whether we shall create a new newspaper on the basis of the complex which exists.

R. Khasbulatov: I understand. Well, naturally the Ministry of Justice. The Ministry of Justice issues instructions as to how to disperse the congress, how to convene a constituent assembly. It is our country's legal expert. We have an amazing country.

Deputy B. Tarasov: Today we are witnessing what is in terms of its intensiveness, of course, a surprising onslaught. It may be said that we can use the word manipulation since the mood which prevailed this morning has to a considerable extent been quashed by examining the previous question. I feel that now, because of this pressure and manipulation, we are again close to finding ourselves in a ridiculous position. I want to stress once again... I want to stress that the question is perfectly obvious. We have a decision in the form of a directive of the congress of people's deputies to conduct an investigation on this score. For a long time responsible people and responsible departments studied the matter. Therefore I think that now we must nevertheless not end up in a ridiculous position, must not yet again display a flabby will and lack of any resolve, since we are after all the supreme organ of power. I clearly understand all these clashes, I nonetheless propose... that we now adopt a decision on the essence of this proposal which concerns a change to the terms of the publication of a newspaper, with perhaps the sole condition that this should be done as thoroughly as possible, giving no opportunities, no pretext, so to speak, for subsequent actions. That is my proposal.

Deputy G. Bondarev: I urge you to support the proposal expressed in complementary ways by Deputies Stepankov and Khasbulatov that we should note the existence of the situation. The second thing is to instruct the Ministry of Information to investigate the legality of the founding of the newspaper and the registration of all three of these organs and I should like to add that only if we ascertain that the interests of Russia as a state and of the Supreme Soviet and the government and of the country as a whole have been infringed by the fact of the registration of these three organs, only in that case should we turn to the court. But for that we must determine who will defend our interests in court. Therefore the resolution should obviously contain a point which will say that if there is an infringement of Russia's interests then some particular organ, I do not know which one, is instructed to defend Russia's interests in court. Thank you.

R. Khasbulatov: But how could they not have been infringed? There was a newspaper of the soviets of people's deputies, including those of the Russian Federation, and suddenly this newspaper of the soviets of people's deputies, that is, the representative organs of

power, ceased to be published. Together with the publishing house. That is all there is to it. And then, whose interests are we infringing by restoring this title? Is that really an honor? Of course not. You can see—they are laughing. People say: Well, of course, they were planning even then to break up the soviets. So since they are refusing, that is what I think. A compromise is needed here and no one should be persecuted and the Ministry of Finances or the Ministry of Justice, the Ministry of Information should be instructed to produce the proper formula, with the first point reading: "IZVESTIYA is the newspaper of the Russian Federation soviets of people's deputies." That is all, that should be the first point. The second point is: The Ministry of the Press, the Ministry of Justice... considering the serious violations during registration, should be instructed to legalize this newspaper in the proper way. Please, if you like, I shall put it to the vote. Accept it if you like, or not if you don't. I put it to the vote. A schedule of two points. I ask you to vote. Voting is under way. (Noise in the auditorium, shouting). Your will, esteemed members of the Supreme Soviet. What is the difference? Voting is already under way. If it was impossible, I would not have put it to the vote. Please, make any decision. Whatever decision is made it should suit everyone. It is being taken. The Ministry of Information and the Ministry of Justice must make provision. Please, proper legalization... putting into operation. Next question. Thank you, esteemed guests...

Results of the voting (according to Supreme Soviet figures)—136 for, 23 against, 12 abstentions.

Account of Yeltsin Statement to Media Chiefs

MK2107130092 Moscow KURANTY in Russian
18 Jul 92 p 4

[“Abbreviated account” of Russian President Boris Yeltsin's statement, answers to questions at 16 July Kremlin meeting with leaders of mass media: “Boris Yeltsin: Threat to the Press Intolerable”]

[Text] As already reported, B. Yeltsin had a meeting with leaders of the mass media in St. Catherine's Hall in the Great Kremlin Palace 16 July. We publish in abbreviated form the Russian president's introductory statement and some answers to editors' questions.

[Yeltsin] I share your concern about the fact that abnormal relations are developing between the mass media and the authorities; above all, evidently, between them and the Supreme Soviet. It was so difficult for you and us to achieve substantial changes in the style of the press, its democratization, and its independence. It is to the very great credit of the press that history is being opened up to the people, and what has happened during these past 12-18 months is also to the credit of the press. As well as the fact that it maintains the pluralism destroyed by the Bolsheviks in 1917.

Yes, it is sometimes painful for me too, as president, but nonetheless I regard as intolerable any threat to the press, pressure, or, particularly, destruction of what has so far been achieved.

Yes, the mass media are ailing, as the whole of society is ailing at this time, they are ailing together with the people of Russia [rossiyane], together with Russia, the government, the president, and the Supreme Soviet, with the organs of power, with everyone.

But the press is not to blame for this. This really is a period when democracy is struggling for its existence, when a quite brutal struggle is being waged, and there is strong resistance. Accordingly, the mass media must express and reflect the various viewpoints of society. I consider this perfectly normal. If a leading figure [lider], a leader [rukovoditel], the president, or anyone else starts to pressure the press, this means he is weak. A strong leader will not pressure the press, even if it criticizes him. This criticism is necessary. Not insults, not lies... But unless we criticize now, we will slide back into the bog in which we found ourselves for many decades. This cannot be allowed. As president, I declared my support for the mass media at the Congress of People's Deputies, and I confirm this to you once again.

You and I had to squeeze out the Law on the Press that the Supreme Soviet adopted. As president I must pursue a line of ensuring that this law is fulfilled by absolutely everyone, without any exceptions. No one can or should violate the law. Attempts to tame a certain section of the mass media or to set one newspaper against another are totally inadmissible.

Of course, things are very hard now for society, the people, the people of Russia [rossiyane]. You know this well, but I would like the mass media to rise up just a little from the viewpoint of political culture and be above the general political culture of society.... I believe that this applies not only to the mass media but to leaders of all ranks, including leading figures, the president, and the intelligentsia.

I have no other wish, as I do not intend to go into particular questions with which, let us assume, I disagree (such questions do exist, of course). Everyone has the right to speak, to voice his opinions even from the "Matrosskaya Tishina" jail... At first I was on the point of being indignant, but the next time I contained myself. Well, let Kryuchkov write: I know who organized the putsch. Kryuchkov was the chief organizer. I know it well—every minute I have felt all this.

It is also clear who destroyed the Union. The Union Treaty had been prepared, I took a quite active part in the preparation of that draft in Novo-Ogarevo, and it had been ratified. If it had been signed, the Union probably would not have broken up. But the putsch showed that the states and republics making up the Union had simply lost their confidence in both the system and the former leadership and taken the path of their own national sovereignty.

Of course, this process has given Russia a very great deal. At present we cannot take advantage of everything that the situation has provided. But I believe that this will come. Russia is a great power, and it will remain a great power. It will move strongly upward after recovering from this period. It is now necessary only to surmount psychologically the barrier in the way of the transition to the market, to private ownership, etc., having mastered all civilized means and methods, made full use of them, and freed ourselves from the fetters of wage leveling and freeloading. Everyone is given freedom both to work and to receive as much as he has actually earned, without any restrictions—this will be a good incentive.

We met the day before yesterday: the president, the Supreme Soviet chairman, his deputies, Gaydar, and his deputies. This is a new approach. We tried to eliminate the difficulties that arise between the government and parliament and between the president and parliament, to find a formula for relations with a further real division of the power functions, yet nonetheless find a system for coordinating actions... For example, concerning value-added tax, banking... There was also a serious discussion of the mass media. Of course, individual deputies and the Supreme Soviet do have some complaints against you. But you should take not a panicky but a calm attitude to this. No document is going to be adopted that will mess up or strike a harsh blow against the mass media. I understand your common concern, which is, of course, valid. But we had this discussion the day before yesterday, and it proved very useful, with the understanding that nothing will work for us without coordination. Society is already in a state of tension and, if there is now going to be a lack of coordination at this higher level, the people will lose all faith....

Do not be concerned: No one person or group can destroy the mass media. The press is stronger than the individual powers. [Yeltsin statement ends]

[V. Starkov] Boris Nikolayevich, it is not a question of us, of the mass media; it is a question of a frightening trend. It is a manifestation of a general policy. Because when Gorbachev talked about suspending the Law on the Press, he turned to the right, and this was, like litmus paper, a sign of what was happening to him.

[Yeltsin] But I hope that you cannot suspect the president of Russia of leaning to the right....

The following sentence was spoken at that meeting: You will inflict such a political blow on yourself and on the Supreme Soviet that you will not get straightened out for many years to come. But the mass media will survive with the president's support.

[A. Pankov] I cannot agree with your assessment that the conflict with the press arose because of the individual approach of one person or small group of people. I believe that this reflects a tendency toward political stratification. These people stand for the socialist option, above all. It is they who do not give people the opportunity to own land and who hinder the implementation of economic reform.

Therefore the confrontation with the democratic press will intensify. But I would like our discussion to move to a different channel: You get the impression that they simply want to stifle us economically.

[Yeltsin] There will still be economic support for the press, there is no question about that. But let us reach agreement: We must gradually make the transition to civilized modes of existence, like those that exist all over the world, whereby the press is supported by party funds or certain structures, and not directly by government appropriations.

You spoke correctly with regard to political stratification. This is a broader range of questions which embraces not only relations with the mass media; here there is also an attempt at revenge, etc. This is understandable. The decision of the Constitutional Court will be of great significance in this connection. I hope for its objectivity and fairness (it must be these things). We, by the way, are still too shy to act decisively on the basis of the law and the Constitution—that's democratization, it seems.

[O. Poptsov] Boris Nikolayevich, you understand our concern. Many deputies have developed a threatening behavior syndrome or omnipotence complex. Everything that breathes, moves, thinks, swims, or flies is subordinate to the Supreme Soviet. This is an extremely dangerous trend. Because we realize that what is being discussed is not the question of the mass media but the question of power. It is now starting to be said that a Yeltsin dictatorship is brewing, and in the general confusion they might carry out a constitutional coup, whereby rights would be transferred to organs which are apparently created at the Supreme Soviet's will...

[Yeltsin] I must return to the Supreme Soviet (I have made this decision after long reflection). I have taken the path of Western democracy, and under the Constitution the president goes to parliament once a year to present a report. That is all, and I have no further obligation to go to the Supreme Soviet and report back on any questions. But I have felt that I have probably overstepped the mark slightly here. Therefore I have taken the first step: For almost a year I did not chair the commission on the new constitution, but a session of it will soon be held under my chairmanship. This is the main thing. The adoption of the constitution will put everything in its proper place: the role of the president, of parliament, and of the Congress.

[Voice from the floor] Do you not feel that the situation in the country has become a little calmer?

[Yeltsin] Yes. First, I feel a warming of relations with the CIS countries. You see the shift that has occurred with Ukraine. Everyone thought our positions were irreconcilable. And yet the Ukrainian leadership and Kravchuk realized that they cannot manage now without Russia. The instant reorientation on the West did not give the Baltic republics very much. Still, ties with Russia continue in thousands of ways.

[Voice from the floor] What is your assessment of the scandal concerning General Lebed, the new commander of the 14th Army?

[Yeltsin] I have sent a special commission under the leadership of Gen. Semenov, commander in chief of ground forces. He has gone there with the commission and conducted an investigation, even including Lebed's personal records. Lebed is sorry...

[V. Volin] Does the president control affairs in the Army?

[Yeltsin] With regard to the rumors of a second putsch, which are being inflated, notably in the mass media, where even lists of names are provided, I will say this: There is no basis for this now. I go by cadres—the minister, his deputies. Grachev is incapable of betrayal, because he is loyal to the president...

The Ministry of Security, the former KGB—Barannikov is absolutely uninvolved... I know the situation in the Army both in the groups of forces and in the districts, and I am quite frequently in contact with the military. Yesterday, for example, we examined a whole package of questions in the Security Council with the participation of a deputy minister. We will soon be meeting with all commanders and the defense minister to examine servicemen's social problems and other questions.

[A. Pankov] I would like to return to another aspect of the matter. I still believe that the success of democratic power—and this will also influence sentiments in the Army—lies in the development of production above all. A most terrible thing is happening in our country—production is collapsing. Of course, a certain reduction is justified, but all kinds of enterprises are collapsing, including those that work directly for people. Proper taxes and land reform are two things that could get something moving. We have been talking about land reform since Gorbachev's days, and hardly anything is being done.

[Yeltsin] Why is it not being done...?

[Pankov] But these are such tiny steps, and they still do not decide the country's fate.

[Yeltsin] No, I do not agree. Land reform is proceeding, albeit not the way I would like. There is resistance, not identical everywhere, but in certain oblasts and krais the reform is proceeding excellently. A spurt came in March-April; once the sowing had been done, of course no one was going to transfer land; so now we have to wait until the fall. There will be, I would say, a very great explosion on this plane in the fall.

Yes, privatization is proceeding with great difficulty. We too expected it to proceed more quickly.

About the reduction in production—the defense industry accounts for 11 of the 15 percent. Just 4 percent concerned civilian output. This is a crisis year.

Look what is happening to inflation. In January it stood at 320 percent, and it is getting lower and lower every month—down to 11 percent in June. We are forecasting 3 percent for the end of the year, i.e. something close to stabilization. We have managed to pursue a tough line in relations with the IMF and not yield to its ultimatum. They demanded that we freeze wages and free fuel prices. We can do neither. We probably feel the condition of the people and of society better than they do. What is more, Russia is a unique state with a unique reform and a unique condition. The feeling for private ownership and enterprise has been forgotten in the genes.

We will not free fuel prices even by the end of this year, and this gives hope that other prices will not increase much.

In the past three months a positive narrowing has taken place between the growth in wages and the prices index. This cannot fail to be remarked on.

[M. Poltoranin] Nevertheless, the land reform is proceeding far more slowly than we would like. The same with privatization. Who will help to implement the reform? There are no executive committees today, and just one administration head has emerged with a small apparatus. Is this local executive power sufficient to push the reforms?

[Yeltsin] We essentially had a system of administration, and what is needed now is a system of execution—of laws, decrees, and government resolutions. The appointment of administration heads by the president has created a more or less rigid vertical structure. But we must now make executive power more ramified.

[B. Kurkova] I have recently been making quite a detailed study of organized crime. This is all so serious: the corruptness of local authorities, the teams of gunmen... We have been very reluctant to put this out over the air, afraid that the program would fall by the wayside. But now it is resources, not works of art, that are being smuggled out of Russia. All this easily gets through the customs.

[Yeltsin] Yes, resources are leaking out of Russia in a flood. Therefore a decision has now been made for the customs service to quickly close the border with the Baltic region, which trades in our nickel and copper, to build a real state border, and, prior to that, to set up mobile border detachments there. Then we will close the border with Azerbaijan. Resources are flowing out there too, and there is great penetration the other way, even including intelligence officers from Iran, Afghanistan, and Turkey. As well as weapons, drugs... I have agreed to start border talks with Shevardnadze. We have an accord with Kazakhstan that the border will be transparent.

[Unidentified questioner] There are now many newspapers both in Moscow and in St. Petersburg which openly call for violence. Why not put them on trial?

[Yeltsin] There is logic in your suggestion, and yet it is possible in practice to catch any newspaper printing a distortion, for a caricature... I regard it as a tremendous victory for Russian democracy that after the August putsch we did not declare counterterror against the communists. Maybe we should conduct a trial of two or three newspapers. But this is not a matter for the president, you know.

[Voice from the floor] But the prosecutor's office is inactive, slowing things up, losing documents.

[Unidentified questioner] Who will be the leader of the Central Bank?

[Yeltsin] Three candidacies are being discussed: Boris Fedorov, Gerashchenko, and Dudenets from Byelarus—he now heads one of the Moscow banks.

[V. Tretyakov] How do you rate the work of Minister Kozyrev? There are rumors going around that he is about to be removed.

[Yeltsin] I have serious comments to make on him, as on any minister. It must be pointed out that he is growing as leader of the Foreign Ministry. The fact that we are losing several areas in international politics must also be pointed out. And yet so much has befallen Russia since it acquired statehood—140 embassies alone. It is incredibly difficult to digest all this. We still have to look, wait, analyze...

In conclusion: All the best to you, and don't panic!

Shakhray Prepared To Represent IZVESTIYA
LD2007153892 Moscow ITAR-TASS in English
1506 GMT 20 Jul 92

[By ITAR-TASS correspondent Lyudmila Yermakova]

[Text] Moscow July 20 TASS—Russian lawmaker Sergey Shakhray has said he is prepared to represent the IZVESTIYA newspaper in the constitutional court if the judges decide to review the constitutionality of the parliament decision to put the daily under its control.

On Friday [17 July] the Supreme Soviet passed a resolution to turn the independent IZVESTIYA, who is now controlled by its work collective, into an organ of the Councils of People's Deputies. The parliament also ordered the Press and Information Ministry to reregister the newspaper.

The ministry, after consulting lawyers, have decided to appeal the decision in the constitutional court.

The Moscow Union of Journalists on Monday denounced "the desire by part of the Russian parliament to establish tough control over the mass media".

"The fledgling diktat over the mass media and the attempt to rein in the collective of the IZVESTIYA newspaper highlights a negative attitude to freedom of expression, openness and journalistic integrity," the union's ruling

presidium said in a statement issued on Monday. The presidium praised Russian President Boris Yeltsin for speaking out in defence of the freedom of speech.

Shakhray's spokesman Konstantin Yeliseev told TASS that the lawmaker did not attend the latest parliament session because of a road accident.

However, Shakhray's name was included in the results of the ballot on the IZVESTIYA issue, Yeliseev said. Shakhray was registered as voting in favor of the parliament resolution. Authorities are investigating the incident.

IZVESTIYA Ponders Motives for Claim

PM2007132392 Moscow IZVESTIYA in Russian
16 Jul 92 Morning Edition p 1

[Article by Eduard Gonzalyez: "Razing to the Ground Again. But Why?"]

[Text] If the parliament does adopt the decisions on IZVESTIYA and the mass media in the form in which they have been submitted, it can be stated almost without reservation that we are now living under a dictatorship. Our own experience, true, knows of dictatorship in another, more terrible form—repressions, expropriations, universal serfdom. But that is a matter of degree, scale, and extreme form of expression, not of the essence.

The essence is that one man or a group of people is capable in a single moment of depriving millions of citizens of something they had no thought of losing. In the present case—a newspaper. Just because this person or group of people did not like something in it, something perhaps seemed offensive, or they suddenly saw the newspaper as an obstacle to some political goal of theirs.

For the moment we will not try to guess what the case really is here, or try to recall whose path IZVESTIYA was obstructing, where and when. The main thing is that millions of people can be made to read not what they wanted to read when buying the paper with their own money, but what they are allowed to read while paying for another publication from that same money, but taken away in the form of taxes. What is this if not dictatorship?

There is also one other sign which invariably accompanies dictatorship—the destruction, wrecking, and ruination of what was created earlier by other people. After all, IZVESTIYA had to endure several years—decades even—of difficult ups and downs in order to become a paper that is respected, authoritative, and very frequently quoted throughout the world. We gradually assembled the journalistic collective, the publishing technology, and finally, the funds to prevent contact with millions of subscribers being broken. And all this is threatened with the ax? What is this if not dictatorship?

However, it is also easy to see classic, extreme manifestations of diktat in the planned decisions: repressions against an independent newspaper, the expropriation of

property acquired by the labor collective with the proceeds of many years' work, and an attempt to enserf the mass media in general. Only it is scarcely credible that all these means which enjoy little respect in our nearly democratic times have been set in train for the sake of petty vengeance. There must—there must definitely be some major goal.

I will permit myself to hazard a guess on this score after all. Just a suggestion prompted by one detail. It is this: The speaker himself suggested in the Supreme Soviet Presidium that the draft decision on IZVESTIYA be published. He knew, of course, that it would raise a stink, he would be accused of diktat, readers would swamp him with letters and telegrams, and the whole world would make a fuss...

Stop! Maybe this is what he wanted. For the whole world, and especially the Americans, for whom freedom of speech is sacred, to start talking and kicking up a fuss. And for someone or other amid this angry furor suddenly to remember the \$1 billion promised to us at the beginning of August...

Need I continue? Once again I make the reservation that this is only my conjecture. The major goal could actually be quite different—someone or other, say, does not like the emerging rapprochement among the Commonwealth countries and to be on the safe side wants to drive one more wedge between them by making exclusive claims to an interstate newspaper. Anything is possible, but in any case there should be no illusions that deputies will be asked to vote just for one more new paper, and that is all.

And therefore it is simply essential today to issue the warning: People's deputies! This is far more serious than it may seem. Journalists loved you in their own way. Be vigilant!

PRAVDA Report Ponders Outcome of Dispute

PM2007112092 Moscow PRAVDA in Russian
16 Jul 92 p 2

[Report by Yuriy Glukhov under the rubric "Press as Reflected in Politics": "These Solutions Are Possible..."]

[Text] Judging by the parliamentary investigation which the Russian Federation Supreme Soviet is carrying out, the IZVESTIYA staffers are running the risk of getting into the most complex of situations. At first sight their situation is reminiscent of ours at PRAVDA when the staffers here found themselves overnight out on the street, and were deprived of a material base and financial support. But this is only at first sight.

In the case of PRAVDA, party property, that is, collective and, in essence, the people's property, in the creation of which millions of CPSU members participated through paying their dues, was made subject of expropriation without a trial or investigation on the basis of a decree by the Russian president. In theory only they had the right to decide on how to dispose of their property. Moreover, the

newspaper was subjected to public persecution, closure, and even ostracism on the part of its own colleagues.

The IZVESTIYA case is of a different kind. The argument revolves around state property, as the newspaper was originally founded by and existed as an organ of the Soviet authorities. The Russian Supreme Soviet as successor to the USSR Supreme Soviet claimed title to it, and probably did so with justification.

The PRAVDA collective, in founding an independent newspaper, set themselves on a collision course with the Russian president's decree, whose legality is now being disputed in the Russian Constitutional Court. By doing the very same thing, the IZVESTIYA collective set itself on a collision course with the law and its vehicle—the parliament—when the USSR and its Supreme Soviet still existed.

When the CPSU Central Committee ceased to exist, PRAVDA was actually deprived of its former property holder. But the soviets' power remains and it has the right to expect support and not just attacks from IZVESTIYA—an organ which for years had been treated with kid gloves.

A question which is a matter of principal and of equal significance in both cases is: Does one or the other newspaper's labor collective, which has without doubt made a material contribution to the creation of their publications' property, have the right to own this property, even if only in part? In the case of PRAVDA, a negative reply was given straight off to this question. What will be the situation with IZVESTIYA?

As concerns getting out of the situation which has developed, two solutions are possible. Either a positive solution will be found which is genuinely democratic, extending to all publications. Or on the other hand a solution exclusive to IZVESTIYA will be worked out by means of fawning and displays of loyalty to the president. We will be able to judge as to the legality and freedom of the press from the result of the conflict.

'Guiding Hand Can Clearly Be Seen' on Motion

*PM2007141592 Moscow IZVESTIYA in Russian
16 Jul 92 Morning Edition p 2*

[Report by Sergey Chugayev: "Russian Supreme Soviet Committee for the Mass Media Opposes the Examination in Session of the Motion on 'IZVESTIYA'"]

[Text] The situation that has arisen in connection with the preparation of a motion on the mass media for examination by a session of the Russian parliament was analyzed at a special session of the Russian Federation Supreme Soviet Committee for the Mass Media. One reason for the session was the examination by the Supreme Soviet Presidium of the notorious draft resolutions on the activity of the mass media and IZVESTIYA.

The drafts, it turned out, had been drawn up and submitted for discussion by the Presidium, bypassing the committee.

In the upshot the committee adopted virtually unanimously (with one abstention) a conclusion on the Russian Federation Supreme Soviet draft resolution "On the Newspaper IZVESTIYA NARODNYKH DEPUTATOV SSSR." This evaluates the draft resolution as containing internal contradictions and as being poorly drafted from a legal viewpoint, and stresses the political character of the ongoing conflict between the editors and the Supreme Soviet leadership. The Committee for the Mass Media—and it possess a statutory prior right to state its point of view during the examination by parliament of a "problem coming within its terms of reference"—recommends that the Supreme Soviet withdraw the motion on IZVESTIYA from its agenda.

The motion on IZVESTIYA no longer figured on the order paper for the next three days' work issued on the morning of 15 July. The Supreme Soviet is to examine instead of this on the evening of 16 July the motion "On the Mass Media." However, these changes will create an unclear situation rather than instill confidence that the parliamentary leaders have taken cognizance of the reaction of IZVESTIYA's collective and most of the mass media, and of public opinion.

This is why the stance taken on this motion by the Committee for the Mass Media looks so important. The entire course of almost two hours of discussion allowed the unambiguous conclusion to be reached: The committee is categorically against the decision submitted to parliament, and believes there are no grounds to raise the question of IZVESTIYA.

Taking part in the debate were IZVESTIYA's chief editor, the general director of the IZVESTIYA concern, and the Russian Federation press minister. Hence deputies had the opportunity to receive at first hand answers to the questions which, it turned out, continue to remain unclear for many of them, despite the repeated explanations from the pages of IZVESTIYA—questions about the property rights, the foundation, and the succession.... As a result it turned out that there was only one factor in all this saga that could be carped at: On 23 August IZVESTIYA declared itself the founder of the newspaper without asking the USSR Supreme Soviet Presidium, thereby, in fact, violating the USSR Law on the Press. All the other accusations turned out to be farfetched.

Unfortunately, it is impossible to recount in detail all the contrivances as a result of which, as was revealed at the committee session, the question of the mass media and IZVESTIYA was raised. Just as the topics of the proposed debate were changed, so the elaborators of the documents were substituted. In the upshot, the result is that the elaboration of the draft resolution on IZVESTIYA fell into the hands of the parliamentary faction "New Generation—New Policy," which many are calling the "Leninist Succession."

There is little hope of successfully unraveling this tangle. Behind all the conflicts a guiding hand can clearly be seen, directing the IZVESTIYA motion (and the motion on the fate of all the mass media with it) to a resolution favorable to itself. Will the protest of IZVESTIYA's journalists, their colleagues from other publications, the democratic community of Russia and other countries, and finally, the stance taken by the Parliamentary Committee for the Mass Media, manage to stop this hand? We will receive the answer to this question, obviously, on 16 July.

Involvement Denied

PM2107155592 Moscow IZVESTIYA in Russian
18 Jul 92 Morning Edition p 2

["Correction" by A.L. Golovin, chairman of the "New Generation-New Policy" faction]

[Text] On page two of issue No. 162 of IZVESTIYA for 15 July 1992 an item by Sergey Chugayev stated that "the elaboration of the draft resolution on IZVESTIYA fell into the hands of the parliamentary faction 'New Generation-New Policy...' This claim is false since the 'New Generation-New Policy' faction took no part in formulating the resolution concerning the newspaper IZVESTIYA.

IZVESTIYA Responds to Allegations

PM2107151592 Moscow IZVESTIYA in Russian
18 Jul 92 Morning Edition p 3

[Article by Mikhail Berger: "Allegations That IZVESTIYA Has Been Seized By Group of Private Individuals Are Lies"]

[Text] The ROSSIYSKAYA GAZETA Editorial Collegium has accused IZVESTIYA of making improper use of its ability to "address society daily in order to mislead it." That was stated in an editorial article published 17 July under the headline "Freedom of Speech: Rights and Responsibilities."

It is the right of any organ to publish articles written and submitted in the best traditions of the editorials of former years if it so wishes. And if the ROSSIYSKAYA GAZETA Editorial Collegium wants to lecture its colleagues on other publications "not to pick out individual cases, blunders, or emotional outbursts, but to convey to society the essence of what is happening," if ROSSIYSKAYA GAZETA believes that newspapers lack professional analysis "yet any 'hot' news is immediately put on the front page," then reaching these conclusions and deciding to discuss them is the newspaper's own business.

Even ROSSIYSKAYA GAZETA's conclusion that "certain newspapers" which lack "care and understanding of parliament's difficult work" are to blame for the conflict between parliament and "some of the mass media" has every right to exist as the Editorial Collegium's intellectual property and

the fruit of collective creativity protected by copyright. And it would not be worth arguing about.

But when ROSSIYSKAYA GAZETA, in the same editorial, accuses IZVESTIYA staffers of being a group of private individuals using state property for free and earning profits in their own interests, we are forced to respond. It is, of course, strange that we are having to explain the situation not to deputies—who are probably uninformed about the real state of affairs—but to our fellow journalists, who should theoretically know the ins and outs of ownership relations in newspaper publishing.

Probably not grasping or unwilling to grasp the simple fact that the IZVESTIYA Editorial Office has no more or less of a right to the ownership of the IZVESTIYA material base than workers at the "ZIL" foundry have to a "ZIL" car, the ROSSIYSKAYA GAZETA Editorial Collegium writes: "The newspaper, in effect, owns a state enterprise (a printing plant, a huge garage, premises, leisure homes, and so forth), and this safeguards its financial position, which differs radically from that of other editorial offices. All the other newspapers are in the relationship of clients to the publishing houses, and pay for the lease of premises, printing services, transport, communications, and dispatch."

We would inform all interested parties for the umpteenth time that IZVESTIYA is not a private newspaper, and, not only is no profit earned by private individuals from state property, but it has not even been possible to "extract" the salaries for the employees for two months now. Reregistration has in no way altered ownership relations; it meant just one thing—freedom from the Supreme Soviet's political patronage. IZVESTIYA was and still remains federal property, and its staffers have a potential right to ownership within the limits and under the procedure laid down by the Law on Privatization. The newspaper does not own a "printing plant and a huge garage," as the ROSSIYSKAYA GAZETA Editorial Collegium decided at its session, and it does not use them for free—nor can it. It is part of the IZVESTIYA Editorial and Publishing Complex and PAYS the IZVESTIYA Publishing House for printing services, transportation, communications, and dispatch.

The ROSSIYSKAYA GAZETA Editorial Collegium sees nothing abnormal in the Supreme Soviet's attempt to set up other IZVESTIYA's in place of the current IZVESTIYA and using its production base, stating that we have "no reason to get indignant and make a fuss." But the parliamentary leadership's reluctance to take account of these obvious facts, actively supported by two publications—PRAVDA and ROSSIYSKAYA GAZETA—is indeed a reason to get indignant.

Article Warns Against Curbs on Free Speech

PM2107153792 Moscow PRAVDA in Russian
21 Jul 92 p 1

[Aleksandr Shinkin article: "Better Not Fall Into the Snares"]

[Text] Last week can perhaps be described as the battle between the mass media and parliament or, to be more precise, its speaker. Journalists, as we were accustomed to say previously, were agitated by the anticipated discussion at the Russian Supreme Soviet session of the question of the mass media which, I would remind you, did nonetheless go ahead toward the end of the fourth session.

But even while newspapers were vying to scare their readers with the thought of the return of the old times and to publish caricatures of Ruslan Khasbulatov, and some mass media leaders were falling upon Boris Yeltsin asking him to defend the freedom and dignity of the Russian press, one political scientist described this concerted campaign using a sentence spoken by Griboyedov's hero: "We make a noise, my boy, we make a noise..."

The forecast proved surprisingly accurate. As a result of the discussion the mass media have effectively lost nothing and have not as yet, regrettably, gained anything. Everything has remained as it was. During the parliamentary hearings that preceded this Supreme Soviet session, for instance, there was a great deal of talk regarding the need to give up direct state subsidies and make provision for taxation and other concessions in their stead. This would place all publications on an equal footing and would promote freedom of speech to a greater extent. Regrettably, these measures have been put off until later. The subsidy principle would involuntarily divide up publications into theirs and ours. Which was, incidentally, well proven by the practice of the first half-year.

I think that the point directing the Ministry of Press and Information to resign as founder of the newspapers and journals it had previously founded was quite wrongly deleted from the Supreme Soviet resolution on economic support and legal backup for the activity of the mass media. On the contrary, this should be done not only by the ministry but also by the Supreme Soviet and the Russian Government, which are striving to acquire their own publications and use them to impose their views on the readers.

The mass media can hardly claim to be the "fourth" estate in that situation. It is more like a division into them and us once more. Which was once again demonstrated by last week's events.

In this sense the question of IZVESTIYA—which was widely publicized by the newspaper itself and by television as if a state committee for a state of emergency were virtually being introduced in the press—is in my view not a question of law or legal punctiliousness, but one of alignment among the leaders on Olympus. It was, after all, clear both before and after the discussion that the Supreme Soviet would be unable to do anything with the newspaper. It will continue to publish as it always has done. While saying this, that selfsame M. Poltoranin is perfectly well aware that that is the alignment of forces today and there is no getting away from it.

On the other hand other events are taking place behind the scenes: Boris Yeltsin asked Ruslan Khasbulatov not to raise the question of IZVESTIYA at the Supreme Soviet. But it surfaced there all the same. Twice the government lobby among the deputies tried to take it off the agenda, but nothing came of that. The speaker knows how to conduct sessions. No matter what was said, the parliamentarians voted in favor of the resolution that was put forward: The newspaper IZVESTIYA should be considered the newspaper of Russian people's deputies. Thus Ruslan Khasbulatov demonstrated his clout and role in politics. It is no coincidence that, at the end of the session, he noted with gratitude that parliament had backed its chairman at the right moment.

But while the press was combating the threat of censorship, danger was sneaking up on it from another quarter—the legislative branch. Both the government and the Supreme Soviet were jointly setting snares for it. The draft amendments and additions to the Criminal Code make provision for imprisonment and a sizeable monetary fine for (read this attentively, colleagues) calls to seize power, for kindling social intolerance, for abuse by journalists in the form of concealing or falsifying socially important information, spreading rumors, and disseminating information designed to discredit a citizen or individual categories of citizens on sexual, racial, ethnic, or religious grounds or for their political convictions... And also for insulting (?) officials. Incidentally, the Law "On Protecting Constitutional Organs of State Power" already contains similar articles. One of these (Article 70) reads as follows: Public appeals ...for the seizure of power or for the forcible overthrow of legitimately elected or legitimately appointed representatives of state power, and the circulation of materials containing such appeals, entail up to three years' imprisonment or a fine of up to 30 times the minimum wage.

Many articles by journalists can easily come under that article. This is the kind of "freedom of speech" that we have to combat. And we must call on B. Yeltsin to really act as guarantor of the Constitution so that no one would dare revise the law-given freedom of speech¹ and freedom of the press.

IZVESTIYA Editors Look for Support

PM2107133992 Moscow TRUD in Russian
21 Jul 92 p 1

[Interview with A. Druzenko, first deputy chief editor of IZVESTIYA, by N. Dorofeyev; place and date not given: "Decision To Remain Independent"]

[Text] As we have already reported, during the last session of this parliamentary session on Friday [17 July] the Russian Supreme Soviet, appropriating the functions of a judicial organ of power, changed the status of IZVESTIYA, making it the paper of the Soviets of Russian Federation People's Deputies. However, there is another party to the conflict that has broken out between parliament and the press organ—the editorial collective.

The same collective which on 23 August last year adopted a decision to publish an independent newspaper. How did they react to this resolution by parliament? IZVESTIYA's first deputy chief editor A. Druzenko talks about this at the request of TRUD's correspondent N. Dorofeyev:

"Our paper is being published normally, as usual, although staff have not received pay for some months now. We see no grounds for the change in our status. A statement was made to this effect today at a meeting of the journalists' collective, which is the paper's founder. This meeting officially confirmed its former decision not to change IZVESTIYA's independent status.

"We will continue to publish the newspaper. But at the same time we will not adopt a line of hysterical self-defense. We expect that the government will find it possible to defend us. Strictly speaking, it has done so already: The Russian Press Ministry, having carried out a legal assessment of the resolution, decided to appeal to the Constitutional Court. We count on the Russian president's support as well, although we understand that it will not be easy for him to take a decision.

"Further. The belief exists that the personal ambitions of certain political leaders play a large role in the story of the confrontation between IZVESTIYA and the parliament. I do not believe this. The affair is far more serious: Some people need to neutralize the mass media, which can influence public opinion. Thus two targets have been designated: television and IZVESTIYA. Obviously there are subsequently to be others too...."

Journalist Organizations Express Views

PM2107141392 Moscow IZVESTIYA in Russian
17 Jul 92 Morning Edition pp 1,3

[Unattributed report: "Solidarity"]

[Text] Statements and reactions continue to come in from journalists' professional organizations expressing their views on the Russian Federation Supreme Soviet's intention to establish control over the activities of the media and, in particular, to change the status of the newspaper IZVESTIYA. We will provide some extracts from them.

"The Russian journalists' trade union expresses grave concern connection with the debate about the newspaper IZVESTIYA in the Russian Federation Supreme Soviet. We deem it necessary to bring to the people's deputies' notice that the action to change the paper's status is a flagrant breach of the Law on the Press and an assault on freedom of expression.

"IZVESTIYA has a multimillion-strong leadership and a solid reputation in Russia and abroad. Efforts to turn it into the authorities' official mouthpiece will have the most negative impact on the readership. This campaign shows disrespect not only for the law and for journalists, but also for the ordinary voter. Certain deputies should

remember that they obtained their mandates thanks to the press, which they are now trying to silence.

"We hope common sense will prevail in the democratic Russian parliament."

In a telegram to the president, a copy of which was obtained by the editorial office, the collective of the "Kultura" editorial and publishing complex writes: "we are angry about the blatantly conservative stance of Ruslan Khasbulatov, who abused his position as speaker of the Russian parliament by deciding to settle a personal (purely personal!) score with IZVESTIYA. If the duel with the conservatives has a tragic outcome as far as our democracy is concerned we urge all journalist colleagues and publishing workers to boycott the 'new, obedient' IZVESTIYA..."

The ITAR-TASS journalists' organization made the following statement: "In recent weeks the Russian Federation Supreme Soviet leadership has launched a campaign against undesirable media, in particular the newspaper IZVESTIYA. Yes, undesirable, since, as is clear from what people's deputies have said, there are also press organs whose 'loyalty' impresses them and makes them want to grant them state subsidies.

"The ITAR-TASS journalists see this selective approach to the activity and stance of the media as a dangerous manifestation of political incompetence on the part of some deputies and an indication of their inability to make a sober and unbiased assessment of the dangerous consequences of the campaign to suppress freedom of expression. You cannot have a free society without a free press.

"The ITAR-TASS journalists regard as unacceptable any attempts to suppress freedom of expression politically or economically and express their solidarity with organs of information of any political hue that are under pressure from the legislators."

Deputies 'Intend' To Dispute Resolution

OW2107224092 Moscow INTERFAX in English
2014 GMT 21 Jul 92

[Transmitted via KYODO]

[Text] Experts-lawyers of the Constitutional Court and Russian Cabinet told "IF" [INTERFAX] that the recent statement of the Russian Ministry for Press and Information on its intention to dispute the resolution of the Supreme Soviet on "Izvestiya" newspaper which changes its status and actually puts it under control of the parliament is deprived of a legal basis. According to the decree on the Constitutional Court, not a single management institution has any rights to address the Constitutional Court with petitions on verification of regulating acts in the Constitutional Court. The president of the Republic, the Supreme Soviet, the people's deputies, the Supreme and Highest Arbitration Courts, the General Prosecutor, supreme bodies of the state

power of the republics in Russian Federation, public organizations at the republican level have such a right.

According to "IF", at present a group of the people's deputies intends to present a petition to the Constitutional Court disputing the constitutionality of the parliamentary resolution on "Izvestiya" newspaper.

Yeltsin on Mutual Relations, Media Law

LD2207061692 Moscow *ITAR-TASS World Service*
in Russian 0505 GMT 22 Jul 92

[By *ITAR-TASS* correspondent Aleksandr Krasulin]

[Text] Moscow, 22 July—"I would not call the difficulties in the mutual relations between the representative and executive authorities a crisis," Russian President Boris Yeltsin stated on 22 July in answering questions from journalists at the steps to the aircraft before his departure for Armavir (Krasnodar Kray). It is simply that working contacts have not yet been established between them everywhere, he thinks. The soviets, said the president, should not try to replace the executive power, "issue instructions to the administration," or resolve some kinds of economic issues. He noted that the question of setting up new political structures on the spot is already on the agenda, "but we are still not ready for them." "Our society is overloaded; it is difficult for the people. One must think about these changes, but one should not make sharp changes at the moment," the head of state said.

Touching on relations with the parliament, in particular in terms of defending freedom of the press, Boris Yeltsin reported that he had had a lengthy conversation with Russian Supreme Soviet Chairman Ruslan Khasbulatov, his deputies, and Yegor Gaydar, acting chairman of the government. All the decisions made at this meeting will be implemented. In particular, the clause in the draft on a supervisory council for the press was excluded from the parliament's resolution. The decision on the newspaper "IZVESTIYA" was specifically not discussed (at the end of last week the Russian parliament announced that "IZVESTIYA" would be the newspaper of the people's deputies of Russia—*ITAR-TASS* note). "But I do not recognize such a formula. I stand and will stand in defense of the mass media and not to lose the ground we have gained in democratizing them," stressed Boris Yeltsin.

Cabinet Resolution Signed To Protect Press

OW2207011992 Moscow *INTERFAX* in English
2007 GMT 21 Jul 92

[From the "Presidential Bulletin"; transmitted via KYODO]

[Text] The acting head of the Russian Cabinet Yegor Gaydar has signed an instruction "on measures of legal and economic defense of periodic press and state book

editing". The document was issued to fulfill the presidential decree dated February 20 under the same title.

The government has developed a number of measures to support the mass media and publishing houses during transition to a market economy and in the situation of sharp increase of printing-houses expenditures. The Cabinet has charged the Ministry of Justice and Ministry for Press and Information together with the organizations showing concrete interest to present a draft decree "on professional rights, freedoms, and obligations of the press employees" before October 1 which will be then submitted to the parliament.

The Finance Ministry has received an instruction to envisage allocation of budget appropriations to render an urgent financial help to the children, teenagers, youth publishing houses, to the publishing houses for invalids, and to periodical editions of educational and cultural-educational contents. These editions will receive donations to compensate the growth of prices for paper and printing and publishing services. The production of printing paper in Russia is supposed to be increased. Besides negotiations with foreign firms on attracting commercial credits under the Russian Government's guarantees totalling 150 million dollars for purchasing of printing types of paper and cardboard are also envisaged.

The Cabinet also intends to introduce new levels of payments and tariff wages for the employees of newspapers and magazines' editions which are financed by the state budget.

The resolution envisages privatization of the enterprises (busy with selling books) and institutions which are subordinate to the Russian Ministry for Press and Information.

Yeltsin-Khasbulatov 'Struggle' Considered

MK2207093292 Moscow *NEZAVISIMAYA GAZETA*
in Russian 21 Jul 92 p 1

[Article by Vitaliy Tretyakov: "Everyone Needs Ruslan Khasbulatov, and He Is Merely Showing His Strength in the Struggle with IZVESTIYA"]

[Text] I have already had occasion to write that two largely opposite processes are taking place in Russia: political and economic reform and political and economic restoration. The past month has confirmed this trend.

One of the prime movers behind restoration is the Russian Supreme Soviet, which was once a political mainstay for Yeltsin's nomination for president. It is no secret that the Russian parliament is conservative in a populist-communist way. The democrats in it, moving slowly but en masse into state posts or simply neglecting their parliamentary duties, are reinforcing the Supreme Soviet's restorative flank directed at the struggle against the executive. But restorative trends are also growing within the executive itself, which is seeking its social

base and finding it increasingly frequently not in weak democratic institutions but in structures preserved from the old regime or in "strong individuals," whose strength lies, of course, in their link with these same structures.

Thus, Gaydar's economic team and the increasingly weak (in connection with appointments to state posts) bloc of "pure democrats," which sides spiritually with the former, is not a target for attacks but merely a battlefield for two different currents of restoration: parliamentary and state nomenklatura. The Supreme Soviet is really afraid of being turned into a Soviet-type decorative parliament, but with a new elite, assuming—not without grounds—that space will not be found in such a parliament for the majority of its present members. So it has to appeal to democracy and the people. Underneath it is a question of the right to control the country's political line and the appointment of chief officials. But they would prefer to depend only on the president, because, by making up his entourage, they could well amend his line without fearing that he will one day turn to the Supreme Soviet for support.

But the parliament is also hindering Yeltsin, as it shifts the balance of pressure on him now in one direction, now in another. In addition, the president certainly cannot be pleased that the parliament and its chairman are appearing increasingly frequently in the role of defenders of the interests of the people and the state as a whole. Hitherto this mission had been linked only with the name of Yeltsin.

In this light the struggle against IZVESTIYA does not so much have a subjective nature (as the president himself insisted at the meeting with leaders of the mass media)—the speaker's personal insults—as reveal a desire to "kill" the most authoritative newspaper of the president's own tendency and one with one of the largest circulations, which would make Yeltsin more vulnerable to attacks from newspapers that sympathize either with "Gaydar's people," or with parliamentarians, or with the industrial-directorial lobby. Strange though it may seem, the president really does not have his own platform in the camp of our press, although all the others have managed to acquire such platforms. Therefore I will not be surprised if B. Yeltsin attempts, in "saving IZVESTIYA," to declare it a presidential newspaper (or to invite it to officially perform this role).

There are many signs attesting that a backstage struggle is taking place in earnest between Yeltsin and Khasbulatov. Khasbulatov has a good chance of winning, since even last year's putschists intended to sanctify their accession to power with the authority of the representative organ—the USSR Supreme Soviet. In this sense all the struggling forces need Ruslan Khasbulatov as a possible ally. This is precisely why he can sleep more peacefully than the others. Which is evidently what he is doing.

Golembiovskiy 'Confident' on Paper's Status

MK2207093092 Moscow MOSKOVSKIY KOMSOMOLET
in Russian 21 Jul 92 p 1

[Yuliya Khaytina report incorporating interview with IZVESTIYA Chief Editor Igor Golembiovskiy; place and date not given: "The Most High... Parliament. Throes of Parliamentary Lawmaking Ended in New Case for Constitutional Court"]

[Excerpt] [passage omitted] Today we talk with IZVESTIYA Chief Editor Igor Golembiovskiy.

[Khaytina] Do you intend to undertake anything now?

[Golembiovskiy] We intend to publish the newspaper that we were publishing. Because, as the press law lays down, it is only possible to change the status of a newspaper in three ways. Either the founder himself makes this decision, but our collective of journalists has no intention of doing that. Or the organ which registered the newspaper, but the Ministry of Press and Information will not do that—Poltoranin has just telephoned me and said so. The third way is through the court. Let the Supreme Soviet turn to the court, and then we will see.

[Khaytina] Do you think they are capable of that?

[Golembiovskiy] No, it would be a humiliation for them. Although, in my view, it is normal to resolve conflicts in court. Rather, they will now pressure the Press Ministry, summon Poltoranin to the Presidium, to a session, etc.

[Khaytina] But do you yourself intend to bring an action against the Supreme Soviet decision in the Constitutional Court?

[Golembiovskiy] The Press Ministry intends to—Mikhail Poltoranin told me today that a statement for the Constitutional Court is already ready.

[Khaytina] At the speaker's instigation the Russian Prosecutor's Office has conducted an investigation into the illegality of the creation of the IZVESTIYA concern, which includes your newspaper and the publishing house of the same name. Do you think it will bring an action?

[Golembiovskiy] The Prosecutor's Office should have referred to the registration office, but the latter does not have its conclusion.

The crux of the mistake over the concern's registration was that at the time of its creation the editorial board was not de facto a juridical person. That has now been rectified. Everything has been registered correctly.

The Prosecutor's Office refused absolutely to bring an action concerning the newspaper's registration: Valentin Stepankov addressed the Supreme Soviet and said that they are not tackling this question at all.

[Khaytina] Does this mean that you now feel confident?

[Golembiovskiy] Yes. Although all this is terribly unpleasant for us, because there are thousands of other problems.

[Khaytina] Are you not afraid that, having failed to destroy you "legislatively," parliament will do so economically?

[Golembiovskiy] Stifle us? How? Parliament cannot adopt a law saying that only 100,000 or, say a million rubles' worth of paper can be sold to IZVESTIYA. In any case we will seek a way out. I think we will find one. We are ready to take credit...

[Khaytina] Did Ruslan Imranovich not try to organize "telephone contact" with you before parliament picked IZVESTIYA to pieces?

[Golembiovskiy] Khasbulatov did not speak with me once: I communicated with him for the first time in the Supreme Soviet. But he telephoned Laptev, the concern's director, after the Supreme Soviet Presidium session at which I spoke against the proposed decision. He suggested that he persuade me to make a compromise and agree to the newspaper's becoming an organ of the representative authority. To this, naturally, Laptev told him: Telephone the chief editor; I am not involved with the newspaper. Khasbulatov replied: I will not telephone him, because he is a spiteful and vindictive man.

I had a seven-month relationship with Lukyanov. He was a Jesuitically cunning man and, at the same time, undoubtedly intellectual. But in relations with Khasbulatov I encountered quite different things: lies, machinations, juggling with facts.

[Khaytina] Sunday's "Itogi" program expressed the thought that Yeltsin has taken no decisive action to defend IZVESTIYA...

[Golembiovskiy] For some reason everyone has gotten the impression that Yeltsin can veto the resolution. But he cannot do so, because he has the right to veto only a law. Therefore the president has said that he will take measures to defend the press within the framework of the Constitution and the press law, emphasizing yet again that, unlike Khasbulatov, he will make his future actions accord with the law. I do not yet know what he will undertake...

'Inordinate Ambitions' Blamed for Conflict

MK2207093192 Moscow KURANTY in Russian
21 Jul 92 p 1

[Article by Konstantin Katanyan: "Role of Prompter in Theater of the Absurd"]

[Text] Despite all the warnings, our insatiable parliament has nonetheless decided to swallow up IZVESTIYA lock, stock, and barrel, as the saying goes.

The discussion of this question symbolized the end not only of the latest session. It marked the end of a period

of vacillation between the democratic achievements of August 1991 and conservative revenge, whose culmination is evidently still to come. As was only to be expected, the parliamentary nomenklatura, which has become hardened during the two years since its election, proved unable to withstand the temptation to keep in check everything that is subject to control—even things that are not dependent on the deputies' political sympathies and antipathies. Only it was pearls before swine.

The fate of IZVESTIYA, which dared after the putsch to declare its reluctance to follow in the wake of the noncommunist course of the USSR Supreme Soviet leadership, is of concern not only to its millions of admirers and its journalist colleagues. Many Russians, who have recently strayed away from political passions and lived with concern for their daily bread, at once doubted that they had elected really worthy representatives to the Russian parliament. The Muscovites who defended the White House are beginning to wonder whether they will have to repeat a similar action now in Pushkin Square, if a desire is shown to take the recalcitrant editorial office by storm on Khasbulatov's orders.

Igor Golembiovskiy, the newspaper's chief editor, has confirmed that the IZVESTIYA editorial board will not submit to the Russian Federation Supreme Soviet resolution. Right after a session Friday, 17 July, he assured the author of these lines that the next issue will appear without the attribution "Newspaper of the Soviets of People's Deputies of the Russian Federation," as the Russian Supreme Soviet insists. Thus, a confrontation between the newspaper and parliament is inevitable, and much will depend on whether the Supreme Soviet Presidium insists on the immediate execution of this resolution or waits for the Ministries of the Press and of Justice to investigate how lawful IZVESTIYA's registration was 23 August last year. But Mikhail Poltoranin, Russian Federation minister of the press and information, has already dotted all the "i's." He called the Supreme Soviet resolution "nonsense" and declared that parliament could have adopted with equal success a decision to rename Washington, the U.S. capital, Ruslangrad.

Be that as it may, the question will not be settled finally until the court has passed its verdict. At the same time the dubious Supreme Soviet resolution will now have to be appealed against in the Constitutional Court. Because of the inordinate ambitions of the people's elected representatives, an insignificant legal conflict has escalated to a political scandal. By deliberately setting itself against the other branches of power, parliament is slowly turning itself from a serious legislative organ into a theater of the absurd, where the prompter is becoming the chief hero, prompting the unprofessional performers as to what they must do. But if he starts turning the drama into a farce as the action unfolds, the public will, at best, leave the auditorium and, at worst, pelt the actors with rotten tomatoes, forcing them to quit the stage forever. It only remains to hope that each deputy will learn by heart his own role in the once-banned play entitled "Democracy" during the parliamentary vacation.

Ministry Statement on IZVESTIYA Assessed*OW2207010892 Moscow INTERFAX in English
2007 GMT 21 Jul 92*

[From the "Presidential Bulletin"; transmitted via KYODO]

[Text] Experts-lawyers of the Constitutional Court and Russian Cabinet told "IF" [INTERFAX] that the recent statement of the Russian Ministry for Press and Information on its intention to dispute the resolution of the Supreme Soviet on "IZVESTIA" newspaper which changes its status and actually puts it under control of the parliament is deprived of a legal basis. According to the decree on the Constitutional Court, not a single management institution has any rights to address the Constitutional Court with petitions on verification of regulating acts in the Constitutional Court. The president of the republic, the Supreme Soviet, the people's deputies, the Supreme and Highest Arbitration Courts, the General Prosecutor, supreme bodies of the state power of the republics in Russian Federation, public organizations at the republican level have such a right.

The court does not accept any petitions during the trial on the CPSU, the press service of the Constitutional Court told "IF".

According to "IF", at present a group of the people's deputies intends to present a petition to the Constitutional Court disputing the constitutionality of the parliamentary resolution on "IZVESTIA" newspaper. A member of the Supreme Soviet, a presidential representative to the constitutional court at the trial on the CPSU, Sergey Shakhrai, who demonstrated his readiness to defend the interests of "IZVESTIA" in the Constitutional Court is also in the composition of this group.

Regional Affairs**Kozyrev: Kamchatka To Be Developed, Not Sold***PM2107150192 Moscow KOMSOMOLSKAYA
PRAVDA in Russian 21 Jul 92 p 1*

[G. Volynets report: "A. Kozyrev in Kamchatka: Feeble Applause"]

[Text] Russian Foreign Minister Andrey Kozyrev, en route for the Philippines, suddenly flew into Kamchatka on Saturday [18 July].

The head of the foreign policy department explained his appearance here somewhat obscurely:

"We do not intend to sell Kamchatka, but, on the contrary we intend to develop it as strongly as possible. But we have to try to establish trade contacts not just with the 'sharks' of capitalism, but also with the 'tigers' and 'dragons' of the South—the countries of ASEAN...."

The hall where the minister's press conference was held came to life a little. Fish and crab traders rose to their feet:

"How is trade possible, when export taxes erode all your profits?" Industrialists: "How are you to make profits anyway, when government decrees contradict one another?"

Regarded, not without justification, as an advocate of handing over the South Kurils to Japan, A. Kozyrev was asked at the press conference:

"Don't you feel that you are a traitor to Russia's interests?"

"There is and can be no sell-off of our territories. This applies also to the 'northern territories,'—the South Kurils," the minister replied.

Andrey Kozyrev gave a graphic confirmation of his standpoint. A group of Kamchatka Kazakhs came to the rostrum and, standing to attention read out a statement to the government, condemning the transfer of the islands to Japan.

"Let me sign too," the minister replied. He took out a pen and wiped it, and before the eyes of the hall signed the Kazakh telegram.

There was feeble applause.

Kurils, Sakhalin Face Strikes Over Cash Deficit*LD2107184392 Moscow ITAR-TASS in English
1815 GMT 21 Jul 92*

[By ITAR-TASS correspondent Yevgeniy Belovickiy]

[Text] Yuzhno-Sakhalinsk July 21 TASS—The weather was not the reason for a ten-hour delay of all flights on local lines connecting the Kuril Islands and Sakhalin, but a lack of cash. The strike was initiated by air traffic controllers who demanded their salary for the last month. Governor Valentin Fyodorov did not accept their ultimatum, saying that old people and the disabled have not received their pensions either.

Cash deficit in Sakhalin and the Kuril Islands amounts to 5 billion roubles this month. 10 thousands of families are facing a hopeless situation, they cannot buy the bare essentials and food.

Meteorologists, engine-drivers also threaten a strike and miners will tell the Government their opinion at a meeting, which will take place on Wednesday [22 July].

N. Ossetia To Lift Military Highway Blockade*LD2107163292 Moscow ITAR-TASS World Service
in Russian 1007 GMT 21 Jul 92*

[by ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 21 July—A session of the Supreme Soviet of the North Ossetian Republic adopted a resolution on lifting the blockade on the Georgian military highway by an absolute majority of votes today. This important route which joins the south of Russia with the Transcaucasus was closed by a decision of an emergency session of the republic's parliament in connection with the events in South

Ossetia. The Transcaucasian gas pipeline was also closed at the same time. At Armenia's request the supply of gas along the pipeline has been resumed and the main roads have now also begun to function.

The session instructed the North Ossetian Internal Affairs Ministry to organize the use of special permits on the route in order to examine transport and individuals moving into Georgia and entering North Ossetia.

Evaluating the situation in South Ossetia, Akhsarbek Galazov, head of the parliament, stressed in particular that the situation in the conflict zone and throughout the entire territory of the region is under control. The main task now is to help refugees to return to their homes. The restoration of all economic structures, the lifting of blockades on all the main roads, and the repair of electricity networks, main gas pipelines, and communications links is being carried out in South Ossetia with this aim in mind. Specialists from Russia, Georgia, and North and South Ossetia have embarked on elaborating an all-embracing program for the restoration and development of the national economy of South Ossetia.

The chairman of the Supreme Soviet of the North Ossetian Republic also reported that Sergey Shoygu, chairman of the Russian State Committee for the Settlement of the Situation in South Ossetia; Sergey Khetagurov, chairman of the North Ossetian Council of Ministers; and Torez Kulumbekov, head of the South Ossetian parliament, flew from Vladikavkaz to Moscow today for a meeting with the Russian Government.

zAccording to information from the South Ossetian Supreme Soviet and reports from the Security Ministry of the North Ossetian Republic, the situation in the conflict zone and throughout the whole territory of the region remains calm. According to Oleg Teziyev, chairman of the South Ossetian Supreme Soviet, a curfew (from 2300 to 0600) comes into operation in Tskhinvali today. The curfew regime will be implemented by the peace-keeping forces introduced in the Tskhinvali zone.

Southern Farmers 'Agitated' Over Grain Prices

PM2107144792 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1700 GMT 18 Jul 92

[From the "Novosti" newscast]

[Text] Grain growers from southern areas where the harvest is in progress are continuing to make ultimatums. They are in an extremely agitated state because of low prices for grain. Thus Stavropol Kray's Blagodarnenskiy Rayon has decided not to supply any grain to the state at all until its price is set at 15,000 rubles [R] per tonne.

Meanwhile, the Krasnodar Kray administration is not agreeing to the state prices for grain either. The countryside could be ruined as a result of these prices. The authorities here have arranged to pay R12 per kilogram, which is

approximately double the price suggested by the Russian price committee. But there is a shortage of money....

But, as our correspondent Gennadiy Kondaurav reports, the situation is not as bad for our neighbors in Donetsk Oblast as it is for the Russians. The banks there have been made to speed up the settlement of mutual accounts with kolkhozes and sovkhoses [collective and state farms] as much as they can. A substantial additional sum has been allocated from the budget to supplement the purchase prices that have already been set. Good wheat will be sold at R15,000 a tonne.

Privatization Increases in Chita Region

LD2107134992 Moscow ITAR-TASS in English
1032 GMT 21 Jul 92

[By ITAR-TASS correspondent Andrey Fomin]

[Text] Chita (Siberia) July 21 TASS—There are now numerous orders for signboards from enterprises which have been privatised in the region.

"There are nearly 70 privatised enterprises in the Lake Baykal area," Boris Bakhur, deputy chairman of the Committee for Property Management, told ITAR-TASS here on Monday [20 July].

"Another 50 enterprises will be privatised in the near future. All in all, the committee received about 700 applications to purchase state-owned businesses," Bakhur noted.

The region started privatisation back in last February. The Chita authorities sold the first nine shops to private citizens on a competition basis at that time. Small, medium and big businesses are now privatised.

The Chita authorities turned into joint stock companies even giant enterprises (according to the local yardstick of course), including the worsted wool combine, fur factory, Zabaykaltransstroy Trust, garments and shoe factories.

According to specialists from the Russian Committee for Property Management, the rates of privatisation in the Chita region are much higher than in many other Russian areas.

Officials at the Regional Committee for Property Management have developed opinion that nothing should be sold for a song, since anything received nearly gratis will be spent for nothing. Therefore, over 100 million roubles were transferred to the budgets of various levels from sales of state-owned enterprises located in the region.

Officials from the local Committee for Property Management accumulated very useful experience: They say that it is good when a privatised enterprise is established next to the state-owned one. Such proximity stimulates competition and gives people a chance to compare who work more efficiently: Private businesses or the state sector.

"However, there are apprehensions that the pace of privatisation in the region can decelerate and even stop," Bakhur added. "Living standards in the area have always been lower than in the rest of Russia."

"In the last few months, inflation 'wiped out' even modest savings accumulated by local residents over years. At the same time commercial organisations in the area are very weak and unable to purchase state property subject to privatisation."

Kaluga Defense Plant Forced To 'Take Time Out'

PM2207113592 Moscow PRAVDA in Russian
18 Jul 92 p 2

[Stringer Igor Shedvigovskiy report: "Collapse in Kaluga"]

[Text] Kaluga—"The Kaluga Electromechanical Plant has come to halt!" claims an alarmed rumor which spread through Kaluga.

The Kaluga Electromechanical Plant is one of defense industry's enterprises that has been safe till recent times. What has happened? Director Yu. Telenkov cleared up the situation.

"We were forced to take time out," Yuriy Ivanovich informed us.

[Shedvigovskiy] What forced you to take such an extreme measure?

[Telenkov] There were more than enough reasons. All of them are not plant-level or even regional. They are the common overwhelming calamities typical of the present day. There is a great list of them. Because of a lack of finances, clients are refusing our products, albeit with a heavy heart, and breaking official agreements. We have also been forced to cancel contracts with our suppliers. Of its own accord the Defense Ministry has cut by two thirds the state order the president signed. A ban on deliveries to Ukraine, Byelarus, and Kazakhstan has hampered things a lot: Our products got onto the list. Thank God that at least this situation is now easing.

[Shedvigovskiy] Have measures been adopted for the collective's social protection?

[Telenkov] Before announcing a halt in production, the labor collective council, the trade union, and the administration tried to resolve all the questions together. A small proportion of the workers have been left to carry out urgent matters at the plant. The remainder will receive payment for all the calendar working time they are forced to be idle.

Army 'Boxes' Blamed for Omsk Radioactivity

PM2107131192 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 0500 GMT 16 Jul 92

["Novosti" newscast video report by V. Morozova and K. Dudin from Omsk]

[Text] [Announcer] Buried sources of strong radioactivity have been discovered in Omsk in the vicinity of the airport.

[Morozova over video of woman measuring radiation with a counter] The story of the find is quite simple, really. People digging out a foundation trench for a residential house came across mysterious boxes. They checked out the containers—the counters bleeped. Against a norm of 30 units, the instruments registered almost 8,000 microroentgens per hour. It was the military who left this "present" behind.

[V.A. Kudryavtsev, head of the "Ochag" enterprise] Instruments with various luminous dials used in aircraft were buried here at one time. The luminous material contained radium-226.

[Morozova] Radium-226 is a uranium salt, and all this happened on a site which used to belong to a military unit. Later a residential area grew up nearby.

[Unidentified woman on housing development] Criminals, this is what I call the leadership of that military unit! I am not afraid to use this word. For years they had containers here where they dumped their instruments. Children played with those instruments all over the neighborhood.

[Morozova] Since the military secret has been exposed and the site decontaminated, Omsk's little "Chernobyl" has practically been eliminated. But grounds for concern remain. According to the oblast hygiene and epidemiological center, there are still more than 200 radioactive contamination sites on Omsk's territory.

Moscow Unable To Pay for Harvested Vegetables

LD2107173492 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1100 GMT 21 Jul 92

[From the "Novosti" newscast]

[Text] Newly harvested vegetables from the sovereign republics of the former Union have begun to arrive in Moscow. The capital does not yet have the 18 billion rubles that is needed to pay for these vegetables.

Moscow Police To 'Open Fire' if Lives Threatened

LD2107173992 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1400 GMT 21 Jul 92

[From the "Novosti" newscast]

[Text] In an interview with a Radio Liberty correspondent, Murashov, head of the Moscow main directorate of internal affairs, stated that from now on members of the Moscow militia may open fire without hesitation if their lives are threatened.

Vladivostok Airport Opens Internationally

OW2207135792 Moscow INTERFAX in English
1255 GMT 22 Jul 92

[Report by Igor Porshnev and others from "Diplomatic Panorama"; transmitted via KYODO]

[Text] Russia's government issued a decree signed by Deputy Prime Minister Georgiy Khizha. Under the document Vladivostok's airport Knevichi will be open to international flights. The text of the decree is available to DP [Diplomatic Panorama].

In accordance with it Russia's Security Ministry, Customs Committee and the administration of Pacific Maritime Territory will set up at the Knevichi airport border, customs and sanitary posts.

Russia's Ministry of Transport was allowed to open several sectors of international air lanes, including the Tikok-Avgok sector, for flights by foreign airliners.

Besides, the Transport Ministry was instructed to work out conditions for the use of the sectors of international air lanes to be open to foreign airliners, and coordinate them with the Defence Ministry.

The decree provides for increasing the number of local frontier troops by 25 men, including 6 officers, to ensure border control at Vladivostok's Knevichi airport.

In this connection the administration of Pacific Maritime Territory was instructed to grant flats to the families of these servicemen.

International Affairs

Technical Assistance Program Signed With EC

*LD2207082792 Moscow ITAR-TASS in English
0710 GMT 22 Jul 92*

[By UKRINFORM correspondent Alexey Trotsenko for TASS]

[Text] Kiev July 22 TASS—The Government of Ukraine and the Commission of European Communities on Tuesday [21 June] signed a programme of technical assistance to Ukraine.

Under the programme, assistance will be extended to Ukraine in the industrial area, particularly power engineering and transport, and in agriculture—food production and distribution. [UKRINFORM in Ukrainian at 1805 GMT on 21 July in a similar report adds: "This help will be tangible first of all in power engineering, especially in providing security of work in nuclear power stations, transport, production of food, and conversion."] Assistance will also be provided in the field of financial services, personnel training and retraining, small and medium-size enterprises and conversion.

The implementation of the programme will begin in the next few months.

With this programme, according to a European commission official, the commission confirmed its firm determination to help Ukraine accomplish reforms. [UKRINFORM in Ukrainian at 1805 GMT on 21 July in a similar report adds: "The delegation of the Commission of the European Communities has stayed in Ukraine for three weeks. It visited Kiev and other towns with the objective of defining those sectors of the Ukrainian economy which are most in need of help from the European Communities the most."] He stressed that the commission of European communities is now the main donor in technical assistance to new independent states.

Forces To Be Sent to Bosnia-Herzegovina

*LD2107154192 Moscow ITAR-TASS in English
1450 GMT 21 Jul 92*

[By UKRINFORM correspondent Sergey Kravchenko for ITAR-TASS]

[Text] Dnepropetrovsk July 21 TASS—A battalion formed on a decision of the Ukrainian parliament and government to fulfill a peacekeeping mission under the U.N. auspices will be sent to Bosnia and Herzegovina. It showed during a review the readiness for the tasks set. The battalion of "blue helmets" is formed of experienced servicemen who come from various Ukrainian cities and regions: From the Crimea, the Transcarpathia, the Dniester, Kiev, Donetsk. The battalion will operate autonomously for over six months, guarding an airdrome in the area of Sarajevo.

The armoured battalion on whose basis the battalion of "blue helmets" was formed has been chosen because of high preparedness of personnel and equipment for operation in extreme conditions.

At night, trains with the battalion's personnel and equipment will be dispatched to the frontier and then will cross Hungary to reach the destination where it will be deployed. Part of the road the "blue helmets" will cover in a column on foot.

Dniester Peace Agreement Welcomed

*LD2207131992 Moscow ITAR-TASS in English
1256 GMT 22 Jul 92*

[By UKRINFORM-TASS]

[Text] Kiev July 22 TASS—"Ukraine sincerely welcomes any activities which would result in armistice between the conflicting sides and promote a solid and lasting peace in the Dniester region", the Ukrainian Foreign Ministry said on Wednesday [22 July] in connection with an agreement on a peaceful settlement in the Dniester region signed by the Russian and Moldovan presidents in Moscow yesterday.

The statement expresses hope that the problem of refugees will be also settled during the peace-making process in the conflict zone. "We believe that this important humanitarian problem should become a subject of urgent Ukrainian-Moldovan talks", the document stressed.

French Military Advisers To Inspect 'Objects'

*LD2107132592 Moscow ITAR-TASS in English
1016 GMT 21 Jul 92*

[By UKRINFORM correspondent Nikolay Zayka—TASS]

[Text] Kiev July 21 TASS—A group of French military experts arrived in Ukraine to inspect military objects near the town of Artyomovsk in Donetsk Region. The objects are liable to international control under the Treaty on Conventional Forces in Europe which came into force on July 17.

By allowing foreign military experts to visit the objects Ukraine confirms its open, peaceful and good-neighbourly policy and the readiness to observe its commitments in practice, the Ukrainian Defence Ministry said.

Security Agreement To Be Signed With Russia

*LD2107155192 Moscow POSTFACTUM in English
1409 GMT 21 Jul 92*

[From the "Military" section]

[Text] Kiev—July 20 RF [Russian Federation] security minister and chief of special service of Ukraine meet in Kiev to sign an agreement on their services cooperation. Under this agreement the services are going to cooperate

in their activity against international terrorism (nuclear and air included). This agreement also provides for information and energy exchange and staff training. RF Security Minister Colonel General Viktor Barannikov and the Chief of the Special Service of Ukraine Lieutenant-General E. Marchuk think that the meeting in Kiev was held in the atmosphere of respect and confidence. As military observers stated to PF [POSTFACTUM] RF Security Minister Viktor Barannikov laid a good foundation for anti-terrorist activity and space in the territory of the former USSR, having concluded bilateral agreements on cooperation with special services of Uzbekistan, Byelarus, Tatarstan and Ukraine.

Vietnamese Delegation in Kiev for Visit

LD2107125992 Kiev Radio Ukraine World Service in English 0939 GMT 21 Jul 92

[Text] A state delegation from the Socialist Republic of Vietnam arrived in Kiev yesterday evening for a one-day visit. The delegation is headed by the Deputy Premier of the Council of Ministers Tran Duc Luong. Their program consists of meetings in the Cabinet of Ministers of Ukraine, the Ministries of Foreign Trade, Communication and Transport. During these meetings they discuss [as heard] the establishment of Ukrainian-Vietnamese cooperation.

Plyushch Receives Chinese Ambassador

LD2107210692 Kiev Ukrayinske Radio First Program Network in Ukrainian 0500 GMT 21 Jul 92

[Text] Yesterday, Ivan Plyushch, chairman of the Supreme Council of Ukraine, received Zhang Zhen, ambassador extraordinary and plenipotentiary of the People's Republic of China in Ukraine, at his request. During the conversation the sides exchanged views about further expanding and deepening trade, economic, and cultural cooperation between the two countries. An agreement was reached on the Chinese parliamentary delegation's visit in August this year and on a reciprocal visit by a Ukrainian parliamentary delegation. The chairman of the Ukraine Supreme Council informed the Chinese ambassador of the present sociopolitical situation in Ukraine. The conversation passed in an atmosphere of friendship and frankness.

National Affairs

Grain Harvest, Private Farms Discussed

LD2207123192 Kiev Radio Ukraine World Service in English 0000 GMT 22 Jul 92

[Excerpts] [Announcer] The harvesting season is on in Ukraine. Of course it is not an easy job to harvest the crops in time and without losses. Grain crops are very important for our young independent state which is facing too many problems at present. Figuratively speaking, the nation is marching to its real independence on its stomach. And here is Verena Voyna with details.

[Voyna] In spite of unfavorable weather conditions, lack of fuel and pesticide, low prices for their produce, Ukrainian farmers are doing a good job. So what are their perspectives? Will Ukraine have its bread this year? I put this question to Mykola Hayko, head of department of the Ukrainian Ministry of Agriculture. Here is what he said.

[Hayko, in Russian fading into English translation] We hope to harvest approximately the same amount of crops as last year but we are not satisfied with that because Ukraine needs much more. We are going to have close to 40 million tonnes of grain crops. It is enough to satisfy our own needs but the thing is that we have to export grain to other countries in accordance with our commitments. The most important thing now is not to lose anything of the harvest and to provide necessary facilities to preserve it. I should say that many collective farms now have the material incentive to sell their produce for higher prices if it is of a good quality, so they try to make it of the high standard and have the right to demand a good price, said Mykola Hayko. As far as I know, last year there were many collective farms which refused to sell their crops to the government and preferred to have a free hand. This year the prices given by the state are much higher but nevertheless they are not attractive (?towards) the farmers. [passage omitted]

[Announcer] Private or rented farms are not a novelty in Ukraine at present but there are not so many of them yet. Do they have the same problems as the collective farms? Here is what Mykola Hayko told me in this connection.

[Hayko] The majority of them do not have their own harvesting machines, combines and so on, neither do they have safe grain storage facilities and they are compelled to rent almost everything from a collective or state farm. They usually harvest their crops later after the collective farmers complete their work in fields. There is a problem with credits because they need a guarantee from their collective farms but these farms are not so rich to give such a guarantee. [passage omitted]

Kiev Oblast Farms Use Haymaking Incentives

PM2107151992 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0500 GMT 17 Jul 92

[Video report by N. Gluzova and V. Reyskiy; from the "Novosti" newscast]

[Text] [Gluzova] In Kiev Oblast's Baryshevskiy Rayon it is hoped to obtain the bulk of the main hay crop from water meadows. These meadows provide more than half of the high-grade, multicomponent dry feed needed to get livestock through the winter.

As for the work pace, judge for yourselves. All machines and implements are being used. Combine harvesters are being used to gather in the hay. For the combines this is a kind of dress rehearsal for the grain harvest. [video shows combine harvesters at work]

Making use of every hour of fair weather, workers at the Berezanskiy sovkhos are laying in three and four times more hay per day than the set norm. Whereas in the past this was ascribed to the much-vaunted labor enthusiasm, workers now get paid in line with their extremely tight schedules.

[V.P. Parakhnyuk, sovkhos director] We are making use of all kind of incentives which enable people to earn well. During haymaking, for example, if a guy fulfills the norm within a set period of time, he gets paid double and treble for subsequent hectares. In addition, we have also introduced payment in kind. For example, we have 1,500 tonnes of hay here [points to haystack], so we make 150 tonnes, or 10 percent of it, available free of charge to all those who helped to gather it. We also use sugar allocations as an incentive.

Rukh Leaders Meet Mass Media Representatives

LD2007221892 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 20 Jul 92

[Text] A meeting of leaders of the People's Movement of Ukraine [Rukh] with editors of the mass media and periodicals took place in Kiev on 19 July. The present political situation in Ukraine and the situation in the Rukh leadership were discussed. Also, an exchange of views as regards strengthening the freedom of speech and the independence of the Ukrainian press took place.

Rukh Branch Discusses Political Situation

LD2107134392 Kiev Radio Ukraine World Service in English 1036 GMT 21 Jul 92

[Text] A sitting of the regional branch of Rukh [Ukraine People's Movement for Perestroika] has been held in Lvov to discuss the political situation in Ukraine and the tactics of Rukh. Also discussed were organizational issues, in particular those dealing with the convocation of an extraordinary conference of the Lvov regional branch of Rukh.

A number of resolutions were passed at the sitting. One of these deals with the attitude of Rukh towards [the] President's representative in Lvov region, [Stepan Tezamuka]. The document authors express their dissatisfaction with the course of the economic reforms in the region. Besides, they adopted an appeal to the deputies of the Supreme Soviet of Ukraine to hold a referendum on the dissolution of Ukraine's Parliament and holding elections ahead of time.

Simferopol Tent City Dismantled

PM2207130992 Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 92 First Edition p 6

[Report by Vyacheslav Lebedev: "'Independence Avenue' Goes Down in History"]

[Text] Simferopol—The tent city set up by the Republican Movement of Crimea on the square in front of the Supreme Soviet building and renowned throughout

Crimea has been removed. It was set up on the day when the parliament session, under pressure from official Kiev, repealed the act on the proclamation of state independence and froze the referendum on independence scheduled for 2 August.

During its existence "Independence Avenue," as the Simferopol people called the tent city, became the center of political activeness on the peninsula. For the first time a meeting was held here for the abolition of the trident stamp in passports. At the initiative of the "Avenue" inhabitants, tens of thousands of Crimeans signed the demand that they be granted dual citizenship: Crimean and Russian. In conjunction with the committee of soldiers' mothers, an action was held in defense of local draftees who, because of the officers' scornful attitude toward them, had refused to swear loyalty to the peoples of Ukraine. Many of these boys are now serving in the Black Sea Fleet....

Now, at the initiative of the Republican Movement of Crimea the tent city has been taken down. The leaders gave as the reason for their decision the fact that henceforth they will wage the struggle by parliamentary means through their representatives in the Supreme Soviet. In particular, signatures are already being collected among the deputies to the demand that the agenda for the next session include the question of the resignation of Supreme Soviet Chairman N. Bagrov, who has been unable to defend the view of 250,000 Crimeans who declared their wish to hold a referendum....

"Independence Avenue" has become history. However, its inhabitants are ready, if necessary, to pitch their tents at any time.

Labor Ministry: 500,000 Laid Off by Year-End

LD2107133292 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 20 Jul 92

[Text] According to information from the Labor Ministry, 500,000 people might be laid off in Ukraine in 1992. The layoffs will be most painful in densely populated industrial areas. It is envisaged that 65,000 people will be laid off in Lvov Oblast and nearly 86,000 in Lugansk and Dnepropetrovsk. Most employees become unemployed because of the liquidation of unprofitable enterprises and the reduction of volumes in connection with low deliveries of raw materials and the breaking of contractual obligations.

Work on Steelmaking Enterprises Stabilizing

LD2107132892 Kiev Radio Ukraine World Service in English 1014 GMT 21 Jul 92

[Text] The work of steelmaking enterprises in Dnepropetrovsk region is being stabilized. During the first six months of the current year they produced 50 million tonnes of pig iron and steel. This factor positively influenced the work of other branches of economy which depend on metallurgy. However, further improvements

in the work of the metallurgical branch are impossible without a single republican program of a comprehensive solution of technical and social issues at these enterprises of the branch. Unfortunately, such a program has not yet been elaborated.

Industrial Output Down 12.3 Percent in 1992

PM2007132792 Moscow IZVESTIYA in Russian
16 Jul 92 Morning Edition p 1

[KHARKOV-NOVOSTI report: "Economic Slump in Ukraine"]

[Text] The initial results of the work of Ukraine's industrial enterprises in the first six months of 1992 have been published.

There was a fall in production of 12.3 percent compared to last year. The volume of undelivered output was 34 billion rubles [R], of which June accounted for R12 billion. According to the official figures, 7.8 percent of enterprises breached contractual discipline.

Oil, Gas Output Levels Considered

LD1907182192 Kiev UKRINFORM in Ukrainian
1000 GMT 17 Jul 92

[Text] [No dateline as received]—For six months of this year, the oil and gas extracting enterprises of Ukraine have produced 10.7 billion cubic meters of gas (107.8 percent of the state order) and 2.3 million tonnes of oil with condensate (102.2 percent). The state order on deliveries of motor gasoline, diesel fuel, and condensed gas has also been fulfilled. The extremely unsatisfactory material and technical supplies complicate the production activity of enterprises of that branch of the Ministry of the Industry of Ukraine. It is caused by the break of the traditional links with suppliers from the countries of the former USSR and the absence of the manufacture of corresponding produce in Ukraine. The launching of new capacities which would allow avoiding a drop in oil and gas output is being delayed because of a stoppage of imports of armatures, pipes, cables, and equipment. The current regulated prices on oil and gas do not cover the actual costs. That is why the government allocated 838 million rubles to finance the activities of the oil and gas extracting enterprises.

Fokin on Plans for Coal Production Increase

OW2207111092 Moscow INTERFAX in English
1006 GMT 22 Jul 92

[Transmitted via KYODO]

[Text] Ukraine is planning to sink 21 new coal mines before the year 2005 to produce 38.6 mn [million] tonnes of coal annually. That has been announced by the republic's Premier Vitold Fokin who is touring the Donbass coal basin, as reported by the Kharkov news

agency. At the same time, said the Premier, 42 mines and 5 open quarries producing an annual 17.6 mn tonnes will be closed.

Public's Confidence in Government Falling

OW2207141192 Moscow INTERFAX in English
1247 GMT 22 Jul 92

[Transmitted via KYODO]

[Text] The Ukrainian Supreme Soviet enjoys the confidence of 30% of the population, 37% have no confidence in it. The Kharkov News Agency has published these results of the poll conducted by the Ukrainian sociological association, the Radio Freedom research institute, and the International Institute of Social Change (Switzerland). According to that poll the Premier Vitold Fokin has the confidence of 21% and no confidence of 47% of the people. That's a fall by 2.25 times compared to last year. The popularity of the public movements Rukh and New Ukraine has also fallen.

Army Chief Concerned Over Arsenal Security

OW2207110592 Moscow INTERFAX in English
1006 GMT 22 Jul 92

[Transmitted via KYODO]

[Text] The security service department in the Kharkov region has expressed concern over the situation in the military arsenals - reports the Kharkov news agency. The chief of the army intelligence V. Chevychalov says ammunition is stored in unsatisfactory conditions and poorly guarded. There have been frequent break-in attempts or bribes to the personnel for obtaining shells and explosives. From one arsenal alone, says V. Chevychalov, teenagers have stolen 2.5 tonnes of gun-powder in the past 18 months.

Signal Regiment of National Guard Established

LD2107210892 Kiev Ukrayinske Telebachennya
Television Network in Ukrainian 1600 GMT 21 Jul 92

[Summary] A signal regiment of the National Guard of Ukraine has been created in Kiev. The new reinforcement of the unit has sworn allegiance to the people of Ukraine. Commanders told the parents present at the ceremony that each guardsmen will now have 20 days of leave.

Internal Affairs Session Notes Increased Crime

LD2207040692 Kiev Ukrayinske Telebachennya
Television Network in Ukrainian 1600 GMT 21 Jul 92

[Text] During the first half of 1992, 236,000 crimes were committed in Ukraine, the same number that occurred during all of 1987. Crime has declared a real war against the citizens of our state.

This was discussed at a session of the extended collegium of the Ministry of Internal Affairs in Poltava. It was

emphasized that about 30,000 citizens perished in Ukraine in fires, automobile accidents, and criminal assaults over the past three years. Criminals are becoming more and more daring, and new kinds of criminal activity have appeared. One in eight murders is committed under mercenary motives. Measures to fight crime and stabilize the criminal situation in Ukraine were discussed at the session, and Minister Anatoliy Vasilishin submitted a composition of the collegium of the Ministry of Internal Affairs.

Archive Director on Communist Party Archives

*LD2107170192 Kiev Radio Ukraine World Service
in English 0000 GMT 21 Jul 92*

[Interview with Director of the Central State Archive of Public Unions of Ukraine, (?Ruslan Piriv), by (?Mykhaylo Kurich), (?Piriv) speaks in Ukrainian fading to English report; from the "Ukrainian Diary" program]

[Text] What happened to the documents of the Communist Party of Ukraine after the August, 1991, coup? Where are the archives of the party? Were there ties between the party and international Mafia? Answering this question in our program is the director of the Central State Archive of Public Unions of Ukraine, (?Ruslan Piriv). The interview with him was prepared by (?Mykhaylo Kurich).

[(?Piriv)] I am absolutely sure that these documents still exist. As far as the archive is concerned, there was no need to exterminate it (?since) [words indistinct] had documents of 1985/1986 and the latest documents were sealed up in the Central Committee of the Communist Party of Ukraine, or in regional party committees. These very documents are about activities of the party during those August days. According to a resolution adopted by the Supreme Rada, these documents were given to special committees which do have them today. We have

copies of documents about activities of the Central Committee of the Communist Party of Ukraine during 19-24 August of last year. Only five documents are at (the) Procurator's Office, but we also have copies of these documents. The Communist Party of Ukraine, being a party of the Communist Party of the USSR, did not carry out independent international activities, neither it had its hard currency account. That's why we (?can't) speak about a kind of international (?terror ring), etc., in connection with the Communist Party of Ukraine, said (?Ruslan Piriv).

[(?Piriv)] After the Communist Party of Ukraine was forbidden all its documents, according to a resolution of the Presidium of the Supreme Rada of Ukraine, were sent to State archive, continues (?Ruslan Piriv). The Central State Archive of Public Unions was created on the basis of the Central Committee Archive. As far as top secrecy is concerned, among the documents we are speaking about we don't have top secret documents with the only exception state secret materials concerning defense issues. That's why mobilization plans for border guards, etc., they will remain secret for a certain period of time as is the case in each civilized country.

Closure of Radioactive Waste Burial Site Urged

*LD2207031192 Kiev Ukrayinske Radio First Program
Network in Ukrainian 0500 GMT 21 Jul 92*

[Text] Ivan Saliy, Presidential Representative in Kiev, has appealed to Ukrainian Prime Minister Vitold Fokin to make the decision to stop burying radioactive waste in the vicinity of Pirogovo village near Kiev. This is connected with the fact that the Kiev special combine of the Radon industrial association, which is responsible for the burial ground, is grossly violating the rules on running it. Furthermore, the potential of the burial ground has been exhausted. The presidential representative also suggested that the leaders of the Radon special combine be dismissed from their posts.

Byelarus

Kebich Hails New 'Marshall Plan' for Republic

OW2207002992 Moscow INTERFAX in English
2005 GMT 21 Jul 92

[From the "Presidential Bulletin"; transmitted via KYODO]

[Text] The Byelarus national papers cover the results of a short foreign tour by Prime-Minister Vyacheslav Kebich to France and Germany, with special emphasis on his stay in Frankfurt-on-the-Main where he met with general director of Deutsche Bank Christian Wonz. He offered to Kebich a broad program for the participation in the reforming of the Byelarus economy, including big investments to fund concrete projects, training of bankers, etc.

When he read Wonz's suggestions, Kebich said, "your project calls to mind the famous 'Marshall Plan.' Your experts will make a thorough study of all cooperation proposals, and I hope that the plan will become a new Marshall Plan for Byelarus."

In France the Byelarus premier participated in a special seminar on economic restructuring and reorganization in central and Eastern Europe. "At the seminar I made sure that the parliament and government had chosen the right course when they would not hurry with the privatization of state enterprises and worked out a concept of transitional period in economic modernization. This has saved the people from many sufferings and privations," said Kebich. "The main idea the speakers have been insisting on is that a total privatization cannot be allowed and that the state must retain control over at least 50 percent of the enterprises. But for that, production and economy are certain to collapse."

Government To Ease Polish Border Crossings

LD2107210592 Moscow Radio Rossii Network
in Russian 1900 GMT 20 Jul 92

[Text] The Byelarus Council of Ministers has adopted a decision on additional measures to resolve the situation at border crossings in Brest and Grodno Oblasts. Our correspondent Leonid Sviridov reports the details from Minsk:

The complex situation at customs crossing points unable to cope with the enormous numbers of citizens hurrying abroad for work and private reasons has become particularly exacerbated now during the summer vacations. To normalize the situation on the Byelarus-Polish border, the republic's Council of Ministers has instructed the state customs, construction, and other departments to complete the construction of the Bruzgi border crossing and main functional facilities at the Berestovitsa border crossing by 1 September. State customs authorities have been instructed to organize, with the Polish side, a joint customs format for the through-put of goods carried by

international motor vehicle transport via the Kozloviche border crossing and to work out and confirm regulations on procedure for customs format and documents for loads proceeding to Byelarus within the framework of humanitarian assistance.

It is also proposed to submit to the Council of Ministers by 15 August an agreed draft of temporary customs rules on imports by citizens on customs territory, and exports beyond its bounds of goods, currency and other valuables.

According to the decision of the Byelarusian Council of Ministers, customs officials will ensure the observance of legality and law and order at crossing points while conducting border and customs checks and will not permit groundless detention of citizens and means of transport passing through the border, including transport with humanitarian aid and perishable freight.

Byelarus Border Troops Main Administration has been given the right to cancel written permits in documents for the departure of citizens of the republic of Byelarus in connection with instances of breaking customs rules, and of contraband, in accordance with a statement by customs bodies.

The Byelarus Government has been instructed to resolve within a month the matter of issuing foreign citizens travelling to the republic with entry, exit and transport visas at the border crossings.

The passage of children who suffered as a result of the Chernobyl nuclear power station accident, and those travelling abroad for rest and treatment is regulated if need be by individuals decisions by the Council of Ministers.

According to information from the information service of the Byelarus Council of Ministers, the decision also envisages a review within a month of the procedure for issuing licenses for international tourist activity.

Economic Agreement Signed With Turkish Group

LD2107131192 Moscow ITAR-TASS World Service
in Russian 1818 GMT 20 Jul 92

[By BELINFORM-ITAR-TASS correspondent Aleksandr Lyushkevich]

[Text] Minsk, 20 Jul—An agreement between the Byelarus Chamber of Trade and Industry and the union of chambers and exchanges of Turkey on setting up a Byelarusian-Turkish business cooperation committee was signed in Minsk today. The goal of the new organization is to assist the two sides' entrepreneurs in developing trade and investment exchange.

In the words of Vladimir Lesun, chairman of the Presidium of the Byelarusian Chamber of Trade and Industry and Commerce, economic relations between the two countries have reached a new level. Byelarusian refrigerators, television sets, and butter are in steady demand on the Turkish market. If Byelarusian goods previously reached

Eastern markets through intermediaries, mainly Polish ones, nowadays their joint enterprises and firms will deal with delivering Byelarusian goods to the Turkish market and Turkish ones to Byelarus.

Moldova

Clashes Continue After Peace Accord Signed

LD2207095192 Moscow *ITAR-TASS in English*
0927 GMT 22 Jul 92

[By *ITAR-TASS* correspondent Valeriy Demidetskiy]

[Text] Chisinau, July 22 TASS—Hot on the heels of an agreement on the creation of mixed tri-lateral peace-keeping force in eastern Moldova, signed by the Russian and Moldovan presidents on Monday, clashes erupted here with the sides charging one another with violating the truce and issuing mutually exclusive reports about the developments.

The press centre of the Moldovan Defence Ministry accused the Dniester guards of tank-reinforced assaults against a number of villages outside Bendery. It said another attack took place in the city itself, killing three and wounding 15 people, according to preliminary data.

According to the press centre of the Dniester region, Moldovan National Troops and military vehicles were seen crossing the river to the left bank recently and on Monday night, a Moldovan task force made an abortive attempt to capture the village of Gyska near Bendery. The press centre also reported that guns were shot on Bendery but no casualties have been reported.

Dniester Offers Proposals for Cease-Fire

PM2207105092 Moscow *IZVESTIYA in Russian*
21 Jul 92 Morning Edition p 1

[Svetlana Gamova, Eduard Kondratov report: "Dniester Region Joins in Truce Negotiations"]

[Text] Chisinau—People have been grumbling for a long time now in the trenches on either side of the Dniester about the conflict which has dragged on, expressing their dissatisfaction with the leadership. A situation has emerged in which it is only ranks above battalion commander who are summoning people to a "war until victory." In the lower ranks nobody wants to die.

For the first time during the protracted period of the confrontation the Dniester region may be admitted to the negotiating table. People are beginning to understand in the higher echelons of politics: Unless an agreement is signed on ways to resolve the conflict, the Moldovan question risks simply remaining as a declaration. The very fact that Tiraspol has not refused to discuss Chisinau's proposal favors the steps taken by the latter—not, of course, without Russia's mediation. Having analyzed the proposed program, the Dniester region put forward its own version. As a whole it is very reminiscent of the

steps thought out in Chisinau and contains points concerning an immediate guaranteed cease-fire; the withdrawal of all armed formations to a distance of not less than 15 km from the line of contact within 24 hours of the agreement being signed; the formation of a tripartite mixed commission including the Dniester region, which will work together with a group of observers; and subsequent negotiations about restoring the region's economy. Here the Dniester region makes the proviso: Economic and financial sanctions which hinder this are inadmissible. The only point which, to all appearances, will call forth the Moldovan leadership's disagreement is the proposal about Bendery. Those on the left bank continue to insist on withdrawing all armed formations from the city, including the police.

In the meantime firing continues in Bendery during the night. The military leaders of Moldova and the Dniester Moldovan Republic categorically reject the mutual accusations of armed provocations. References to a certain "third force" are continually being heard. Evidence of its existence is the shelling by grenade launchers and mortars of both sides' positions from the village of Gyska near the city. However, the Moldovan MVD [Ministry of Internal Affairs] considers the Dniester region's references to a rogue "third force" to be without substance.

Both sides directly or indirectly link the armed provocations with the name of Colonel Kostenko, commander of a battalion of the Dniester region guard, whom Moldova is accusing of serious criminal acts. The information reaching us about him is contradictory: He was arrested but escaped from custody; he is under the guard of the 14th Army. In the meantime Tiraspol reports a concentration of Moldovan military subunits near Bendery. Chisinau reports that guards are bringing up ammunition and hardware in an intensified manner....

Russian Faction Asks Yeltsin for 'Protection'

LD2107200992 Moscow *ITAR-TASS in English*
1842 GMT 21 Jul 92

[By *MOLDOVA-PRESS* for TASS]

[Text] Chisinau July 21 TASS—Deputies of the Russian faction of the Chisinau Municipal Council on Tuesday [21 July] sent a telegram to Russian President Boris Yeltsin.

The telegram contains "an appeal for protection" not against Moldovan President Mircea Snegur, who received a majority vote by the Russian-speaking population in Moldova, and who is not seeking to divide people into Russians and Moldovans, but rather against the leader of the Dniester Region, Smirnov, and his associates, who gave an order to cut off electricity and gas supplies making Russians in Chisinau suffer more than the entire Russian-speaking population on the left bank of the Dniester.

The telegram ends with an assurance that "in case leaders of the Dniester Region stop "defending" us against ourselves, no more protection will be needed. In

case such a need arises, Moldovans themselves will help us, who are connected with the great Russian people by age-old ties of friendship".

The telegram pointed out that it was sent on behalf of 175,000-strong Russian-speaking population of the Moldovan capital, which account for 31 per cent of all Russians living in the republic.

Most of them voted for Mircea Snegur, the telegram said.

New Ministers Report on Conflict Zone

AU2107204892 Bucharest ROMPRES in English
1738 GMT 21 Jul 92

[Text] Chisinau (ROMPRES) 21/7/1992—Tuesday [21 July], Moldova's parliament heard accounts from the ministers ad interim of national security and defence, Vasile Calmoy and Pavel Kryange, of the situation in the regions east of the Dniester. They showed the situation in Cosnita and Cocieri zones was relatively calm since no violation of the cease-fire accord had been reported. Fire was exchanged only in Bendery and surroundings. Guardsmen continued to shoot the positions of the defenders of the republic's territorial integrity at the police section in the town, the precincts of "Druzhiba" Cinema hall and other districts. In the last 24 hours other dead and wounded have been reported, they showed. Interior Minister Constantin Antoci stated that the shortage of police forces in Chisinau led to growing crimes as the cases of violation of the state of law by using weapons are ever more frequent in the conflict area.

Prime Minister Andrey Sangeli informed the deputies about the new structure of the government, and announced that the republic's economy was undergoing deep crisis, which makes the government take urgent measures to prevent phenomena which might have serious consequences, reports MOLDOVA PRESS.

Parliament Approves New Government Structure

LD2107185592 Moscow ITAR-TASS in English
1843 GMT 21 Jul 92

[Text] Chisinau July 21 TASS—At the evening session of the Moldovan parliament today, deputies adopted as a

basis a new structure of the government. According to this conception, the government will include twenty ministries and five state committees.

A commission, which was formed, will finalize a draft of this document. When discussing the draft today, the majority of speakers came out against changing names of departments into state committees as they believe it will entail unfounded expenditure from the state budget. Mainly the same grounds were brought against changing the names of the Ministry of Documentation Science, Information and Communications, and Science and Education. Speaking on behalf of commissions, some deputies put forward arguments against the further existence of the Ministry for Youth, Sports and Tourism, and the Ministry for Foreign Economic Relations, as well as against the creation of a Ministry of Local Management.

At tomorrow's session, deputies will continue to discuss the new Government structure and personal appointments.

Minister Advocates Troop Discipline Measures

LD2107170692 Moscow Programma Radio Odin
Network in Russian 1500 GMT 21 Jul 92

[Text] The Byelarus defense minister has advocated that measures be taken to raise military discipline in the national Armed Forces. He spoke in Minsk today at a rally of deputy commanders of formations and units of the republic's Armed Forces.

Lieutenant General Pavel Kozlovskiy stated that the state of military discipline among the troops is at present far from ideal. He feels that one of the reasons for such a situation is that in connection with the collapse of the former USSR, the old laws on the army are not working and the new ones have not yet been adopted. In addition, after the abolition of military political bodies, the process of forming new educational army structures is proceeding very slowly, and this is having a noticeable effect on the state of military discipline.

The minister set specific tasks to bring about the requisite order in subunits of the nascent Byelarus Army, drawing particular attention to the qualitative deepening of educational work, primarily by the officer corps.

Kazakhstan

Official Predicts Large Grain Harvest

PM2207103392 Moscow PRAVDA
in Russian 21 Jul 92 p 2

[PRAVDA correspondent Tleuzhan Yesilbayev report:
"Hope of Grain for Kazakhstan"]

[Text] "The southern oblasts of Kazakhstan have embarked on threshing grain crops," Kasym Tyulebekov, first deputy minister of agriculture, said. "The grain has done wonderfully well. The prospects for the harvest are also good in the virgin land oblasts where the harvest campaign will start later. We hope that Kazakhstan will have a large grain harvest. Unlike previous years, the republic now expects to harvest grain crops and other crops on its own. Sovkhozes, kolkhozes, and industrial enterprises have enough equipment, skilled machine operators, and other workers to do this."

A resolution of the Kazakh Cabinet of Ministers has introduced a special regime for the use of monetary, material, and technical resources destined for harvesting work, procurement, and processing of agricultural produce 1 July through 1 November on the republic's territory. What is more, the government has established strictly regulated procedure for the centralized export of grain from the republic and its distribution for intrarepublic requirements via the "Kazkhleboprodukt" Concern. During the period of special arrangements grain will only be taken outside Kazakhstan on orders from the republic's Cabinet of Ministers. Moreover, compliance with this provision is to be strictly monitored by the ministries of transport and internal affairs, the customs committee, the "Kazkhleboprodukt" Concern, and the heads of local administrations.

What is the current price of grain? Grain acceptance enterprises are paying for the grain on receipt at preliminary prices. For instance, one tonne of first-class hard wheat costs 10,000 rubles [R], second-class wheat—R9,700, third-class wheat—R8,800, and ungraded wheat—R8,000. While first-class soft wheat is rated at R9,700.

The "Kazkhleboprodukt" Concern has been allowed to enlist from the CIS countries up to 1,000 specialists in the mass trades to bring in the harvest on condition that they are sold up to five tonnes of grain each at prices prevailing at these enterprises, provided that they carry out the prescribed norms.

Incentives Noted

LD2207091892 Moscow ITAR-TASS in English
1052 GMT 22 Jul 92

[By KAZTAG-TASS correspondent Anatoliy Shevelev]

[Text] Alma-Ata July 22 TASS—New grain purchasing prices introduced recently by the Kazakhstan Government

have prompted local farmers to sell more produce to the state, agricultural officials said on Wednesday [22 July].

New price mechanisms have provided new incentives for farmers, Valentina Panenko, deputy chief of the Agriculture Ministry's economic department, told TASS.

"There are preliminary purchasing prices. They are effective at the first stage, when grain is sold to the state. First-class hard grain is purchased for 10,000 roubles per tonne, second class—for 9,500 roubles and third class grain for 8,800," she said.

"When all grain has been sold, farmers are paid an extra ten per cent. Furthermore, if the produce was sold abroad, farmers are paid in line with the price it was sold for," she said.

NATO Delegation Arrives for Visit

LD2007110892 Moscow Mayak Radio Network
in Russian 0700 GMT 18 Jul 92

[Text] A group of the high-ranking NATO officers is visiting Kyrgyzstan. One of the main purposes of their visit is to share experience in the organization of a multi-national army. During their stay in the Republic the NATO officers will familiarize themselves with the foreign military policy and national security doctrine of Kyrgyzstan, will visit the military units and the parliament. The visit has been organized by the Moscow international center Peace and Accord within the framework of creating the concept of CIS joint security.

Deputy Minister Meets With Japanese Delegation

LD2207043392 Moscow Mayak Radio Network
in Russian 2130 GMT 21 Jul 92

[Text] Kazakhstan is interested in obtaining the latest Japanese technology and Japan's Marubeni Corporation is willing to help. This was stated in Alma-Ata on 21 July at a meeting between (Balatkhan Tayzhanov), deputy minister of foreign economic relations for Kazakhstan, and the head of a Japanese delegation, Mr. (Kawasema). According to the Japanese side, Marubeni has the potential to help build airports, railways, and highways in Kazakhstan and to provide credits for these purposes.

Assembly of refrigerator freezers will soon begin in Karaganda, with a planned capacity of 30,000 units per year. There are plans with the Honda organization to commission a car assembly plant in Ust-Kamenogorsk. (Tayzhanov) stressed that Kazakhstan needs to attract investment in processing agricultural produce and in converting defense enterprises. The deputy minister suggested to the Japanese side the creation of an international Caspian flotilla and the leasing of oil tankers able to travel to the Black Sea via the Volga and the Don.

Kyrgyzstan

Further on Talks With Turkish Foreign Minister

TA2107181592 Ankara TRT Television Network
in Turkish 1700 GMT 21 Jul 92

[Text] Interior Minister Ismet Sezgin is continuing his official visit to Kyrgyzstan. Turkish Radio and Television correspondent Seref Yigit reports from Bishkek:

[Begin recording] Sezgin visited the (Isik Gol) region of Kyrgyzstan today. He donated money for a mosque under construction in this region. Kyrgyz officials said that the mosque will be named Ismet Aga.

Commenting on his visit, Sezgin said that Turkey has again become a bridge between Asia and Europe as a result of its developing relations with the Central Asian republics. Noting that Turkey constitutes a model for these republics because of its democratic structure and its market economy, Sezgin added that Turkey will make the necessary contributions to the democratization of Kyrgyzstan's administrative structure. He noted Turkey will also help Kyrgyzstan shape its gendarme and police organizations and form the necessary cadres. Sezgin said that the two countries will cooperate in the struggle against terror and drug trafficking.

Kyrgyz Minister of Internal Affairs Sultalinov said that Turkey will be taken as an example in the structuring of his ministry as it has been an example in other fields. He concluded by saying that Turkey has been very supportive on the issue. [end recording]

Positive, Negative Economic Trends Noted

LD2207032692 Moscow Mayak Radio Network
in Russian 0800 GMT 21 Jul 92

[Text] In Kyrgyzstan, for the first time since prices were freed, the revenue for the state budget has started to exceed expenditures. The price index (for the half year) has also decreased from 213.9 to 105.5.

This shows that the goods and money exchange mechanism has begun to work in the state, the republican Institute of Economic Research stated today. To proceed in this direction and to encourage production, the economists advise setting a maximum profitability limit for monopoly enterprises [predpriyatiya monopoliy], retaining the practice of increasing taxation on businesses in the commercial structure, confiscating all excess profits for the treasury, and clamping down on shadow economy dealers. However, specialists forecast a three-fold price increase this fall after fuel prices are liberalized and the government has to stop subsidizing food production.

Financial Problems of Army Officers Noted

LD2107171192 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 1100 GMT 20 Jul 92

[Video report from Kyrgyzstan by correspondent F. Fedorov—from the "Novosti" newscast]

[Text] [Announcer] At the Kyrgyzstan State Committee for Defense, questions concerning the transfer of the troops here to the country's jurisdiction are being discussed today with the participation of the leaders of the government.

[Fedorov] I don't know how close we are to officers' strikes, but a rebellion by officers' wives is certainly not far off. Since April their husbands, who have not received their wages and money to feed their families, have been trying to sell their parade full-dress uniforms in the second-hand goods market. What guarantee is there that after the chrome boots they will not be taking submachine guns, armored troop carriers, and aircraft to the bazaar? After all, a MiG-21 is only 10 tonnes of non-ferrous metal, and they charge two MiGs for a modest apartment in Yekaterinburg.

[A.A. Menshikov, chairman of the officer's assembly of the garrison] In connection with the fact that 95 percent of servicemen to date are immigrants from the Slav republics, it is necessary to have dual citizenship.

[Fedorov] In order to lift the dangerous tension from the man with the rifle, Askar Akayev met the officers of a number of units before the problems were discussed in the government. The law on the status of servicemen in the Republic of Kyrgyzstan, which was passed recently, needs to be transferred from the language of declarations to the language of urgent measures. However, there are no funds and resources for this. The Army will at least be reduced by half. Already today, for instance, these pilots [video shows them at meeting with Akayev] have been made redundant: From October one-third of them will be sacked, many without pensions and with a bouquet of occupational illnesses, far from their homeland. For the time being the order is to live without worries: Our roof is the blue sky [words of song], in the literal sense.

Tajikistan

Kurgan-Tyube Oblast Requests State of Emergency

LD2207112192 Moscow ITAR-TASS World Service
in Russian 1012 GMT 22 Jul 92

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 22 Jul—The authorities of Kurgan-Tyube oblast in South Tajikistan have demanded that the president of the republic introduce a state of emergency and adopt strict measures against the leaders of

illegal armed formations that are ignoring the presidential decree to lay down their arms immediately. They demand that the president use all his powers to protect human rights and to prevent the escalation of a fratricidal war.

This demand on behalf of the leadership and the people of the oblast was put to an emergency session of the republic's Supreme Soviet Presidium by Nurullo Kurbanov, acting chairman of the Kurgan-Tyube Oblast Executive Committee. He emphasized that the situation is daily becoming more explosive and that a delay could lead to genocide. Casualties arising from clashes due to political, religious and clan-based contradictions already number many dozens. Hundreds of people have gone missing and hundreds more are being held hostage by the conflicting forces. Certain villages have literally died out, according to the oblast leader, while the number of refugees from the oblast exceeds 150,000. There is nobody to do work in the fields, where the crop is shedding its grain. Industrial plants and the railways have fallen silent.

The majority of members of the Presidium support the demand of the local authorities, deeming it purposeful to bring CIS "Blue Helmets" into the zone of conflict. However, this proposal is running into resistance from the political opposition and from the top Muslim clergy, who consider the presence of a "foreign military contingent" in the conflict zone as interference in Tajikistan's internal affairs.

General on Use of CIS Peacekeeping Forces

OW2107203792 Moscow INTERFAX in English
1958 GMT 21 Jul 92

[Transmitted via KYODO]

[Text] Major-General Bakhrom Rakhmanov, Chairman of the Defense Committee of Tajikistan, feels that the creation of armed peacekeeping divisions of the CIS and their participation in disengaging the opposing sides in regions of conflict would be an "optimal step" for the establishment of peace in the Commonwealth. In an interview with INTERFAX, the head of the War Department of Tajikistan didn't rule out the possibility of their introduction into Tajikistan.

Rakhmanov stressed that each republic belonging to the Commonwealth should independently reach a decision concerning the invitation of joint peacekeeping forces onto their territory. According to Rakhmanov, that approach to the problem also prevailed at the meeting of War Department leaders in Tashkent.

Russia's Shokhin Arrives for Official Talks

LD2107103792 Moscow ITAR-TASS in English
0832 GMT 21 Jul 92

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe July 21 TASS—Russian Vice-Prime Minister Aleksandr Shokhin arrived in Dushanbe on a working visit on Tuesday [21 July].

At Dushanbe's airport, Shokhin was met by Dzhamshed Karimov, first deputy Tajik prime minister, and other officials.

In an impromptu interview at the airport, Shokhin said his visit is connected with the signing of an agreement on cooperation between Russia and Tajikistan.

During his visit, Shokhin will meet with Tajik President Rakhman Nabiyev, governmental officials, politicians and representatives of Tajik business circles to discuss the situation in the republic, the pace of economic reforms and the situation on the border.

The sides are also expected to discuss prospects for supplies of Russian fuel, lubricants, grain and cash to Tajikistan.

Bilateral Ties Treaty Initialed

LD2107193692 Moscow Radio Rossii Network
in Russian 1900 GMT 21 Jul 92

[Text] A treaty on the principles of bilateral relations between Russia and Tajikistan was initialled on 21 July. Russian Vice Premier Aleksandr Shokhin, who headed the Russian delegation, stated at a press conference following the ceremony that the sides expressed satisfaction with the accords reached on a whole package of military-political, economic, and humanitarian issues, even though they did admit that dialogue on some of them was proceeding with difficulty. During the visit the Russian delegation signed a number of treaties on trade and economic relations between both countries. In conclusion, Aleksandr Shokhin emphasized again that Russia regards relations with Tajikistan as one of the priority directions of its foreign political activities.

Agreement Reached on Border Troops

LD2207074292 Moscow Radio Rossii Network
in Russian 0500 GMT 22 Jul 92

[Text] Russia will take the border troops of the Commonwealth of Independent States stationed in Tajikistan under its jurisdiction. Agreement on this was reached at a meeting in Dushanbe by Russian Vice Prime Minister Aleksandr Shokhin and Tajikistan President Rakhmon Nabiyev. This agreement is a result of the fact that Tajikistan itself is not in a position to resolve the problem of bringing the staff and border detachments up to strength and ensuring their material and technical provision.

Afghan Border Violations Continue

OW2007190992 Moscow INTERFAX in English
1638 GMT 20 Jul 92

[Transmitted via KYODO]

[Text] Interfax learned at the press service of the Russian border troops, that from July 17 to July 20 armed units made new attempts to cross the Tajik-Afghan border at the Pyandzskiy sector. Within three days, 22 violators were detained, and 15 weapons and a large quantity of ammunition were confiscated. In one incident, gunfire was exchanged between border guards and the violators. None of the border guards was injured.

A representative from the press service announced that an agreement on the dual allegiance of border guards in Tajikistan and Turkmenistan is currently being prepared for the Russian Ministry of Security and also for the presidents of these two Central Asian republics. The representative feels this will enable the situation in the border area to return to normal.

In answer to INTERFAX's question about the guarding of Azerbaijan's borders, the press service representative said that theoretically terms for the withdrawal of Russian border guards from the country were prepared. But recently Azerbaijan's president Abulfaz Elchibey proposed a temporary agreement on the procedure for keeping the border guards and using them to guard Azerbaijan's borders with Iran and Turkey. According to the agreement, Russian border guards would remain in Azerbaijan for a transitional period, until conditions for independent border defense could be established using Azerbaijani guards.

Border Violators Detained

LD2107165392 Moscow Programma Radio Odin
Network in Russian 1500 GMT 21 Jul 92

[Text] The protection of the southern border of CIS member-countries presents a serious problem. This can be clearly seen on the Tajik-Afghan border. During last night, servicemen of a duty group of the Central Asian border district detained seven border violators who were Tajik citizens. Carrying a large amount of firearms and ammunition, they tried to return to Tajikistan from the Islamic state of Afghanistan. Lieutenant General Anatoliy Martovitskiy, first deputy commander of the troops of the Central Asian border district, told a KHOVAR

agency correspondent that Tajikistan's border units are expecting the arrival of reinforcements from CIS countries; a decision on this was adopted at the Tashkent conference.

Afghan Talks Noted; Issue 'Not Solved'

OW2207012092 Moscow INTERFAX in English
2007 GMT 21 Jul 92

[From the "Presidential Bulletin"; transmitted via KYODO]

[Text] The observers in Dushanbe consider ineffective the agreements reached last week by Premier Akbar Mirzoev with a number of Afghan leaders and aimed to stop transferring of weapons to Tajikistan from the Afghan territory. The experts believe that the problem of systematic violation of the Tajik-Afghan border is not solved yet mentioning the fact that new attempts of the Tajik-Afghan border crossings by armed groups were registered at the portion of the Pyandzhskiy border detachment. According to the press center of the frontier guards, 22 trespassers have been captured over the previous three days, 15 units of arms and a great number of ammunitions were confiscated. Fire was opened during one of the incidents between the frontier guards and the trespassers. There were no casualties among the frontier guards.

About 60 armed trespassers-Tajiks were found on the island on the River Pyandzh which belongs to Tajikistan on July 19. Following the negotiations 8 of them surrendered and handed over to the frontier guards 8 automatic guns, a portable anti-tank grenade cup discharger and two sacks with ammunitions. The other returned to Afghanistan.

A representative of the frontier guards' press service reported that agreements on dual subordination of frontier guards in Tajikistan and Turkmenistan—to the Russian Security Ministry and respectively to the presidents of these two Middle Asian republics are underway. According to him, this will help to stabilize the situation on the border.

Azerbaijan

Mobilization Decreed; 2,000 Avoid Conscription

NC2107210492 Baku Radio Baku Network
in Azeri 1700 GMT 20 Jul 92

[Text] The HABER SERVICE NEWS AGENCY has reported that the military authorities have not instituted legal proceedings against any of the 2,000 individuals who have not complied with the call-up to join the Azerbaijani National Army. This information was disclosed during a news conference held at the Azerbaijani Defense Ministry for local and foreign journalists. The journalists were informed of the presidential decree for the partial mobilization of citizens between 20 and 40 years old within the ranks of the Azerbaijani National Army.

The journalists were also informed that 500 of the 700 Azerbaijani officers serving in the CIS Armed Forces wish to join the ranks of the Azerbaijani National Army.

More Villages 'Liberated' by Armenians

LD2107211292 Moscow Radio Rossii Network
in Russian 2000 GMT 21 Jul 92

[Text] Three more villages in Mardakertskiy Rayon were liberated in Nagorno-Karabakh today. According to the Karabakh news agency, the villages are called Chapar, Umudlu, and Zaglik. The agency states that the Azerbaijani formations are retreating, having sustained significant losses in manpower and military equipment. No less than 200 Azerbaijani army soldiers lost their lives over the past three days. No less than 20 Azerbaijani tanks have been disabled or seized by the Armenian self-defense forces. No less than 40 fighters were wounded and approximately 10 fighters of the self-defense units were killed on the Armenian side, Armenian sources claim.

International Sanctions Against Armenians Urged

LD2107135292 Moscow ITAR-TASS in English
1323 GMT 21 Jul 92

[By AZERINFORM for TASS]

[Text] Baku July 21 TASS—"Resolute sanctions of all peace-keeping international organisations are needed to curb the Armenian aggressor that stops at nothing to achieve his aim", Azeri president's press service said in a statement circulated by the AZERINFORM News Agency on Tuesday [21 July] to attract the attention of the world to a new upsurge of tension built by the neighbouring republic.

Azerbaijan continuously took efforts to stabilise the situation in the conflict area, the statement said. In accordance with an appeal, made by the chairman of the Rome conference Mario Raffaelli, to suspend combat operations in the conflict area for a term of 30 days, Azerbaijan ceased fire all over the front line on July 9 hoping that the Armenian side would follow suit.

However, Armenia launched another action to escalate violence in the area, the statement pointed out.

The press service officials recalled they had warned many times that Karabakh had turned into an object for speculation by various political groups in both republics aiming to seize power.

It was the desire to retain power that made Armenian ruling circles to undertake another offensive, the statement said.

As a result, on the night between July 18-19, Armenian armed formations who had moved to Azerbaijan's territory via the so-called "humanitarian Lachinsk corridor", launched an offensive, rendering null and void all attempts to achieve a peaceful political settlement of the conflict and the stabilisation of the situation in the combat area, the statement pointed out.

PRAVDA Interviews Envoy to Russia

PM2007153992 Moscow PRAVDA in Russian
18 Jul 92 p 2

[Interview with Khikmet Abduragim ogly Gadzhizade, Republic of Azerbaijan plenipotentiary representative to the Russian Federation and deputy prime minister of Azerbaijan for matters concerning the former USSR, by Yevgeniy Ivanov; place, date not given: "Shadow of Elder Brother Has Still Not Disappeared"—first two paragraphs are introduction]

[Text] Khikmet Abduragim ogly Gadzhizade has been appointed Republic of Azerbaijan plenipotentiary representative to the Russian Federation. He is deputy prime minister of Azerbaijan on matters concerning the former USSR. The new plenipotentiary was born in Baku in 1954 and graduated from the Azerbaijan State University in 1977. He is educated as a physicist and is a candidate of physical and mathematical sciences. Since 1988 he has been a member of the first People's Front of Azerbaijan (PFA) Board, and he has been editor of the PFA newspaper SVOBODA [Freedom], which comes out in the Russian language.

The first question to Kh. Gadzhizade was the following:

[Ivanov] The PFA has repeatedly spoken out against Azerbaijan joining the CIS. Are the new authorities setting themselves the task of joining the Commonwealth in the republic's changed political situation?

[Gadzhizade] The question of Azerbaijan joining the CIS has not been finally resolved—it has been postponed. Priority is being given to bilateral relations with the former USSR republics. It is a question of a psychological burden: People are afraid that the CIS is the same thing as the USSR and that we will continue to be given commands from Moscow. You can often hear the question: Why does Azerbaijan not want to cooperate? We do not think in that way. It is necessary to cooperate with the CIS, but two factors are hampering this. The first is

the war in Nagorno-Karabakh. The second is the lack of equal rights in relations. We do not want to be a second-class member of any union.

[Ivanov] Please explain using a specific example how you think equality of rights has been violated.

[Gadzhi-zade] Certainly. What, for example, has happened to the USSR's gold reserve? It fell from 700 tonnes to 200. But now they say that it amounts to just 70 tonnes. Where has the Union's gold gotten to? And what is happening to the assets of the Bank for Foreign Economic Activity? It turns out that we are again sharing "in a brotherly fashion": the elder brother gets more, and the younger less.

[Ivanov] Whom do you think the new authorities of the Republic of Azerbaijan will look to in economic ties: to Turkey and Iran or to the CIS republics and the Russian Federation?

[Gadzhi-zade] Azerbaijan attaches tremendous importance to relations with Russia. Many people thought that once the PFA had come to power, it would begin to break off relations with Russia. This is not the case. Russia is of very great significance to us. We intend to strengthen such links, as their severance would cause Azerbaijan much more harm than Russia. We are also counting on Russian mediation in resolving the Karabakh problem. As far as the other CIS republics are concerned, they, together with Azerbaijan, still represent a single, albeit sick, economic organism. We are a constituent part of it. It is stupid to think that once an arm has been severed from the body, it will begin a life of its own. We will continue to look to the former USSR countries, with which we have great ties.

[Ivanov] There were no interethnic conflicts in the former Soviet Union. So does it not turn out that the USSR was not so bad after all? If it is not a secret, please tell me, which model of society you advocate?

[Gadzhi-zade] The Soviet Union's achievements are great. The Soviet system's achievements in the social sphere were very highly appreciated throughout the whole world until the 1950's and 1960's. Many developing countries attempted to look to the Soviet model. For a while great successes were achieved, but later manifestations of stagnation began. When the time came to embark on perestroika, the opportunity was missed in the Soviet Union. Another example. The Turkish economy differed little from the Soviet one until the 70's—they had their own state planning commission there and all their major enterprises were state-run. But since the 1970's and 1980's the country's president, Turgut Ozal, has sharply steered a course toward liberalizing the country, and now Turkey is already granting credits to the countries of the former Soviet Union.

As for the other part of the question... I am a supporter of private property and liberalism. I am in favor of

freedom, but this freedom includes an even more effective mechanism for man's social protection. World experience shows: Liberalism provides many more opportunities for social protection than Stalinist socialism. I think that the new mechanism for social protection will be worked out in our country in 5-10 years' time.

[Ivanov] What fundamentally new ways of peacefully solving the Karabakh problem can the new Azerbaijani authorities find, in your view?

[Gadzhi-zade] The position of the Republic of Azerbaijan coincides entirely with that of the CSCE and the United Nations. First of all there is the inviolability of borders; territorial integrity; the granting to national minorities of rights to preserve their identity; the opening of native-language schools, theaters, and higher educational establishments (incidentally Armenian higher educational establishments have always existed in Khankendi); the preservation of traditions, customs, etc. Considerable self-government will be granted to all territories. Rights have been clearly demarcated between the territories and the center. Each territory, including Nagorno-Karabakh, once it has elected its own administration, will be able to regulate its own budget. The conflict can be resolved only after Azerbaijan's democratization. We are ready to invite international observers from governmental and nongovernmental organizations to observe the progress of normalization. But we are opposed to changing the internal borders of territorial-administrative formations.

[Ivanov] One last question. How will the border control on the Nakhichevan Republic's border with Turkey be carried out after the Russian border guards have left?

[Gadzhi-zade] This question is now the subject of talks between Russia and Azerbaijan. I am heading the Azerbaijani side in the talks. The Russian and Azerbaijani authorities have exchanged draft agreements; the Russian draft stipulates a certain period during which border control will be carried out in accordance with the laws of the Republic of Azerbaijan either by Russian border guards or jointly. It is not expedient at the moment to withdraw all the Russian Federation's border guards and replace them with Azerbaijani ones.

Georgia

First Stage of Ossetian Settlement Successful

LD2107130492 Moscow ITAR-TASS in English
1226 GMT 21 Jul 92

[By ITAR-TASS correspondent Aleksandr Krasulin]

[Text] Moscow July 21 TASS—The first stage of South Ossetian peaceful settlement was a success, the situation there is stabilising, according to leaders of South and North Ossetias who arrived in Moscow on Tuesday [21 July] to discuss further normalisation in the region with Russian authorities.

"We have reached understanding with the Georgian side, are holding negotiations and are trying to establish relations", said Torez Kulumbekov, the South Ossetian parliament speaker.

North Ossetian Prime Minister Sergey Khetagurov added it is important to determine the status of South Ossetia and the issue will be discussed with the Russian leadership. The absence of the status is impeding the settlement in the region, he said.

"The peaceful process in South Ossetia is developing successfully", according to Sergey Shoygu, chairman of the Russian State Committee on Emergencies. There have been no shootings there for a week. Although provocations are possible, hope remains that peace will be preserved in the region, the chief Russian peacemaker in South Ossetia added.

Shevardnadze Delays Trip Until Mkhedrioni Leave

*OW2207105692 Moscow INTERFAX in English
1006 GMT 22 Jul 92*

[Transmitted via KYODO]

[Text] The trip by the Chairman of Georgia's State Council Eduard Shevardnadze to Western Georgia appointed earlier for Wednesday [22 July] has been put off a day. As Shevardnadze explained at Tuesday's [21 July] meeting of the State Council, the delay is over the withdrawal of the Mkhedrioni units from the region. Only after that, he says, the trip can yield the desired results.

E. Shevardnadze announced that within two days he and members of the State Council accompanying him are going to visit nearly all the conflict areas in Western Georgia: Abasha, Senaki, Martvili, Hobi, Zugdidi, Tsalendjikha, and may be Chkhorotsku. He did not rule out possible protests by the local population against his coming. "I understand the people who only yesterday raised arms against each other", said E. Shevardnadze. He expressed fear that unless the situation is normalized in the Zugdidi region, things may go out of control in neighbouring Abkhazia. Now an additional police force of 300 men is providing law and order in Western Georgia against a rise of gangster crime.

E. Shevardnadze told the State Council about his meeting with the organizer of the seizure of the Tbilissi TV centre and tower on June 24 Valter Shurgaya who is under arrest in the capital. "I was surprised how that apparently reasonable man could have acted like that". V. Shaugaya has realized, he said, the struggle against the new Georgian government was senseless and hopeless, particularly since Georgia has joined the United Nations and obtained real independence.

Shevardnadze on Internal, Foreign Relations

*AU1707103892 Tbilisi 7 DGHE in Georgian
2-8 Jul 92 p 1,2,3*

["Exclusive" interview with Eduard Shevardnadze, Georgian State Council chairman, by 7 DGHE coeditors Koba Akhalbedashvili and Zviad Koridze on 28 June; place not given: "A Person's Whole Life is a Learning Process"]

[Text] Koba Akhalbedashvili and Zviad Koridze, coeditors of the newspaper 7 DGHE met Eduard Shevardnadze, Republic of Georgia State Council chairman.

[7 DGHE] **Batoni [Georgian polite form of address] Eduard, you were in charge of the republic for 13 years. How is the process of your second return to power developing?**

[Shevardnadze] This is such a difficult question that it requires considerable reflection and time. A person's whole life is a learning process; each stage is a lesson for man and for society as well. I believe that the 13 years that I worked under the conditions of the old regime are not lost years. At that time, more precisely, during the last few years, my attitude was shaped to the new processes at whose head I, by the will of fate, found myself. It was then that I came to the clear conclusion as to what was acceptable and what was not and what was initially reprehensible. I do not think that these are lost years either for myself or for Georgia. I believe that what happened during those 13 years was what had to happen.

[7 DGHE] **On your return to Georgia, did you find the disposition of political forces to be in reality as you had imagined on the basis of the information to hand or was it considerably different?**

[Shevardnadze] It was approximately as I had expected. To tell the truth, I thought that what we today call the authoritarian regime would have had a more powerful support but this was not the case. In my view, the majority of Georgians manifested an extraordinary ability in making the right choice not between individual forms of government but between sociopolitical systems. It did not get lost in the most complex labyrinths but correctly found its fundamental bearings. This was unexpected for me. I said earlier that a politician who only thinks of himself and his own future would not have agreed to have returned to Georgia. However, I agreed to do so as Georgia was being threatened with being split into two by civil war.

[7 DGHE] **The struggle between political forces is entering a new stage. In what direction do you see it developing?**

[Shevardnadze] Let's not talk about a struggle but rather the development of political forces, political pluralism, and democratic interests. Of course, this probably implies a certain political struggle. It's another matter if we speak about the bitterness of the struggle. We are today in such a phase that if any political party wants to

make capital, it can only do so by presenting a constructive program directed toward the consolidation and unity of the nation. It is precisely this that will capture a lot of votes and not he who proclaims aloud: Down with this or that or let's restore these things and bury those. I believe that political processes in Georgia will proceed in such a way that everything will become clear at the elections. There will be certain complications during the preelection period here as there are everywhere.

[7 DGHE] However, there are forces in the republic that will try to prevent the holding of the parliamentary elections on 11 October....

[Shevardnadze] There are such forces. Moreover, the events of 24 June proved this. If there is a force that is able to take weapons into its hands to overthrow the government that is a democratic one and whose principal aim is the development of democracy, why can't there be a force that will want to wreck the elections? The aim of the 24 June escapade was to wreck my meetings. The meeting with Yeltsin and the meetings in Istanbul brought fairly good results. We must proceed along the path of democratic development and we will have certain guarantees of security at the contemporary stage. Our primary task is to hold elections so that we can strengthen the name of the democratic state.

[7 DGHE] Are you satisfied with the competence of the State Council?

[Shevardnadze] At any rate, I am not indifferent to this council. We sometimes have very heated debates and, now and then, things are done unsystematically and time is wasted. However, I can see that our council is improving. Once, Batoni Jaba Ioseliani [State Council deputy chairman] said there could be nothing better than to adopt such a parliament. I am certain that many of the council's members will end up in parliament and will possibly form that nucleus that will exert a good influence on its work. There are difficult partners in the council and, at times, I get too hot under the collar but, for all that, I am glad that political maturity is gradually on the way and that these debates do not have any influence upon our personal relations. We are now transferring to the interesting school of parliamentarianism.

[7 DGHE] Do you not think that, in the transitional period, it would be better for Georgia to have a strong presidency than a parliamentary government?

[Shevardnadze] I believe that the people should reach their own conclusion. We are, at the moment, talking about a parliamentary republic but it is possible to create a strong government also in conditions of a parliamentary republic (a strong parliament means a strong government). It requires decades of experience to have pure parliamentarianism. However, parliament should be a guarantee that no one will dare to deviate from democratic principles. In this respect, the Americans have created a very strong model of state administration. Of course, at this stage, the main concern is a parliament and elections to it.

[7 DGHE] The process of market reforms and democratization during the time of the former regime has, to all intents and purposes, been maintained. If the West were to come to us and express the desire to grant us financial and political help, it would probably call for further radical market reforms from us. How strong are the forces that do not want to accelerate market reforms in Georgia and are they able to hinder these reforms?

[Shevardnadze] I do not believe that the force seeking to hinder this process is very strong. Georgia is not like Russia or any other state where the military-industrial complex determines to a considerable degree the pulse of its political and social life. The transfer to a market economy in Georgia will be less painful. We have other complications. A Georgian and those citizens living in Georgia are closer to the principles of market economy than those who have been working for years in the military-industrial complex. We are tied to the land and have a greater understanding of its worth. During those 13 years, there were many things that we did not destroy. We were in some ways moving closer to a market economy. Perhaps many things were primitive compared with what is being done now. However, we were talking about self-financing and the legalization of household plots. There was no private ownership of land but a peasant received a part of the harvested crops on the land for which he had been made responsible. All this was, to a certain degree, preparing our people for reform.

[7 DGHE] You have often pointed out to us that democracy is today being threatened in such a large neighboring country as Russia. Does this threat come from the same military-industrial complex or are there other [sources of] danger?

[Shevardnadze] Every movement has to have a certain base and if we're talking about a material base, it is possible that precisely this complex and a large part of the Army can supply the current movements in Russia. These forces are strong in Russia.

[7 DGHE] During Russian President Batoni Boris Yeltsin's visit to the United States, as far as we know, the question of relations between Transcaucasia and Russia was separately raised. The day before this visit, the American ambassador handed you a private letter from Batoni Baker. If it is not a secret, was there mention in it of relations between Georgia and Russia and, specifically, of the problem in the Tskhinvali region?

[Shevardnadze] No, that was another letter. I am in written communication with the Secretary of State and also with others. We will give to be published what can be published, and what is not necessary....

[7 DGHE] On the third day after returning from the United States, Russian President Batoni Boris Yeltsin met with Ukrainian President Batoni Leonid Kravchuk. The aim of the meeting focused on the question of the division of the Black Sea Fleet. What position does Georgia hold with regard to the resolution of this question?

[Shevardnadze] There will be talks in connection with the fleet. We have serious claims to the Black Sea Fleet and it has to be said that, proceeding from those talks that we had with Batoni Yeltsin and military officials, I do not think that we should encounter any misunderstanding in the matter of dividing the fleet. It is another issue as to what kind of fleet we should have and, in general, as to what form the existence of the military factor in the Black Sea should take: Who should have what naval power—Turkey, Russia, the Ukraine, Romania, Bulgaria, Moldova, and Georgia—and how many and what type of vessels? All these questions were raised at the Istanbul conference. We pointed out that there should be quotas and norms established with regard to military strength and that the creation of an atmosphere of trust should begin in the Black Sea.

[7 DGHE] What changes will the development of events introduce to the question of the presence of the Transcaucasian group of Russian troops on Georgian territory and to the determination of its status?

[Shevardnadze] As regards the presence of the Russian Army on Georgian territory, I cannot add any more to what I have previously said. This is a temporary factor and so we need to determine their temporary status. We are creating an army and this is not taking place in a vacuum. The presence of Russian troops here are helping us to a certain degree. I will not hide from you the fact that the weapons that our formations have obtained up to now and those that our troops will have in the future we have received precisely from them. How can a person be told: Pack your belongings, go away from Georgia, and leave behind the things that we need. One can organize pickets and demonstrations and it's possible they will really go away and also leave their weapons behind but I want us to lay the basis for normal relations with Russia. This is what the Germans did; they did everything to ensure that the troops and officers left Germany as friends. Moreover, the German chancellor and foreign minister once proposed that I, personally, together with Gorbachev, go along with them to visit Soviet troop garrisons. Unfortunately, I was unable to do this. The Germans have spent billions on getting them back to Russia. They were looking ahead, they're a clever people, that's why. I believe that, today, we need precisely these kind of relations. The Russian troops will then leave when we want them to. There can be no other resolution in our time. However, we must do this in a way that will not give rise to a new source of tension. In this respect, we need to be magnanimous and farsighted. In general, this does not present a problem today. I repeat: They will go when we say so but when and how is it better to do this? We mustn't hurry and make a mistake.

[7 DGHE] At your first press conference you spoke of the possible Lebanonization of the Caucasus. You have subsequently put forward the view that, in the war between Armenia and Azerbaijan, Georgia should assume the role of mediator in peace talks. Since then, you have been to Armenia and met twice with Armenian President Batoni

Ter-Petrosyan but have not once met with the highest representative of the Azerbaijani Government. What objective reasons lay behind this?

[Shevardnadze] It makes no difference whether we call it Lebanonization or something else. I believe that, from the point of view of conflicts, there are today two hot spots in the planet: the Balkans and the Caucasus. There are also conflicts elsewhere, for example, the confrontation between the Arabs and the Jews, but, from the scale of their development and possible consequences, [the conflicts in] these two regions have possibly become the most serious. The prospects for a settlement of these conflicts by political means have not been lost yet; it is still not too late. This was precisely the aim behind my contacts with the Armenian leadership. In general, one cannot have a conflict on such a scale in this region; this concerns our interests as well and so we have begun dialogue with Armenia. I had certain relations with Azerbaijan's former leadership and they were ready to meet although we considered it would be better to do so after the presidential elections. I had my first contact with Azerbaijan's new president in Istanbul. A new person has new business to attend to; he needs to clear up matters at home. We agreed that we would meet when we had the time and the means to do so. The Caucasian factor has to be set in motion in the regulation of these conflicts; other countries will be unable to resolve them.

[7 DGHE] We are interested in your views regarding current processes in the northern Caucasus. How informed are you and are you trying to elaborate a single regional policy toward Chechnya, Kabardino-Balkaria, and so forth?

[Shevardnadze] The elaboration of any concept or general policy toward this or that region should be presented as a process. Let's take even the European process; how many years were required for its formation and the elaboration of certain principles and standards? We are now probably unable to spend years on this but the formulation of specific views will take time, including also those regarding the peoples of the northern Caucasus. The search for ways of establishing normal relations with Russia continued for centuries but we are now having to discover certain things. A starting point lies in equal partnership. This is an elementary thing. The same can also be said about relations with Turkey and Iran. I would like to say that the determination of our official line of policy toward all states will not happen so suddenly. You mentioned Chechnya. The most difficult question for us today is Ossetia not because of the existing conflict between Georgians and Ossetians but because of more farsighted aims. Today, most time is taken up with regulating relations. Considerably greater attention should be given to Dagestan. The fact that today there are no kind of problems between us and Dagestan does not mean at all that our relations are of minor significance. It is possible that precisely Dagestan will be one of our most important partners in the future. We have to establish correct, very normal, and mutually beneficial relations with Chechnya. The first such step

has already been taken. My unofficial representative for economic questions has spoken with President Dudayev. The result of this was that Chechnya's foreign minister came to Tbilisi. These talks were also necessary. What can we do if the former president is there as a guest; we have to understand this. I do not think that this step was conceived by President Dudayev some 10 years ago. It just happened like this. We have to cooperate with the people and the country. We have very great reserves for establishing good relations with all our neighbors in the northern Caucasus. We have to continue to cooperate in the cultural and scientific spheres and in the training of cadres.

[7 DGHE] Georgia is neither a member of the European home nor of the CIS nor of any Asiatic organizations. In your opinion, will Georgia enter a combined Eurasian space as an independent political unit or as a constituent member of a Caucasian regional association?

[Shevardnadze] Let's not make such divisions. Georgia should participate in the European union in whatever way possible. Georgia should cooperate with the Asian organizations. We have already taken the first steps on the path toward the creation of regional associations in

Istanbul. I believe that the movement comprising countries from the Black Sea basin has a big future. The first declaration that we made distinguished us from almost everyone else but, if you noticed, it was emphasized in every speech or meeting that this is in no way a process that is opposed to the European union or to those processes under way in Asia. On the contrary, it is an integral part of the European process. I believe it is premature to talk about what will happen in the Caucasus, whether the Caucasian movement that is organized on a more local scale will spread or not. When the conflict between states is so acute, the element of mistrust is great and a hastily presented idea could end in failure. We musn't act hastily and present such an initiative that will lead to our isolation. Everything has to be thought through well.

Prime Minister To Head Refugee Commission

*LD2107221192 Moscow Mayak Radio Network
in Russian 2000 GMT 21 Jul 92*

[Text] The Georgian State Council decided to establish a governmental commission for returning refugees to the Tskhinvali region. The commission is headed by Georgian Prime Minister Tengiz Sigua.

Estonia**Further on Russian Supreme Soviet Resolution****Official Policy Said 'Passive'**

OW2207023292 Moscow BALTFAX in English
2018 GMT 21 Jul 92

[Transmitted via KYODO]

[Text] The Social Democratic Party of Estonia leader, Vice Speaker of Estonia's Parliament Marju Lauristin said that "the Estonian policy towards Russia was passive". Speaking at a press conference in Tallinn today, she stressed the fact that "Estonia did not use its political resources as efficiently as it could".

In Mrs. Lauristin's opinion, the recent demarches by the Russian leadership towards Estonia are "easily refutable" and place Russia in an awkward situation. She says that it is Russia who violates that item of the intergovernmental treaty, saying that a state shall not allow another state's hostile actions within its territory. She referred to the recent visit of Vladimir Zhirinovskiy to Ivan-Gorod.

The Agrarian Centrist Party leader, Ivar Raig also took part in the press conference. He said that the Estonian Foreign Ministry should make use of the fact that none of the international commissions which visited the country had discovered violations of the human rights declared by the Russian Parliament. Therefore, the appeal to impose economic sanctions against Estonian by the Russian deputies has neither legal, nor moral grounds, said Ivar Raig.

Front Notes Withdrawal Delay

OW2207022992 Moscow BALTFAX in English
2018 GMT 21 Jul 92

[Transmitted via KYODO]

[Text] The Estonian Popular Front board says that the Russian Parliament seeks to delay the withdrawal of its armed forces and step up its political pressure upon the Estonian delegation at the negotiations on military and political issues by taking the resolution "on the rights of individual in Estonia" on July 17.

The resolution by the Russian Parliament says of "brutal violations of the human rights in Estonia".

An open address by the Estonian Popular Front board to the speaker and presidium of the parliament released today says that the Estonian Foreign Ministry's statement alone "was not enough politically" and that the issue was worth discussing at an extraordinary session of the parliament.

Protest Made, Russian Guards on 1945 Border

LD2107162892 Tallinn Radio Estonia in English
1520 GMT 21 Jul 92

[Text] The group of experts on border issues of the Estonian delegation at the Estonian-Russian negotiations issued a statement at Loksa today. The statement says that the Republic of Estonia welcomes the growing readiness of the Russian Federation to withdraw its border guard forces from the Estonian sea border in the west and north.

Beginning from 15 July 1992 the Russian border guards have actually started to guard the Estonian-Russian border line that was unilaterally enacted by the Stalinist Soviet Union in 1945. At the time Estonia was occupied and therefore the enactment was not legal.

The Republic of Estonia protests against the attempt of the Federation of Russia to perpetuate the illegal borderline with the help of border guards, reads the statement. Estonia's proposition is that Russia should relocate its border guard to the legal borderline that was determined by the Tartu peace treaty [word indistinct] in 1920 for the time of the negotiations. At the same time Estonian border guards will temporarily remain in their present positions.

The above mentioned measures would help to create a steady basis for the good neighborly relationship between the two countries, reads the statement.

Statement Issued Claiming Russian Territory

LD2107220992 Moscow Teleradiokompaniya
Ostankino Television First Program Network
in Russian 2000 GMT 21 Jul 92

[From the "Novosti" newscast]

[Text] Estonian officials today spoke out against what they call perpetuating the illegal borders between Estonia and Russia. They say that some rayons which are, at present, Russian territory, really should belong to Estonia. This statement recalls the problems in relations between the two countries right on the eve of a new round of talks between them.

Ministry To 'Denounce' Russian Trade Deal

OW2207014992 Moscow BALTFAX in English
2018 GMT 21 Jul 92

[Transmitted via KYODO]

[Text] In an interview with the "ESTONIA" newspaper representative of the Estonian Ministry of Economics Sergey Trifonov said the government plans to denounce the Agreement of Trade and Economic Cooperation with Russia. Trifonov said the document is "virtually invalid" and said that "Russia has already stopped shipments to Estonia". Trifonov also said that the republic has most-favored-nation status with Russia and

therefore "goods which Estonia could send to Russia will be subject to double customs duties and these goods may become uncompetitive on the Russian market".

Sale of Former Soviet Army Property Banned

*LD2107193492 Tallinn Radio Estonia in English
1520 GMT 21 Jul 92*

[Text] The Estonian Government banned selling property purchased from Russian Army with its resolution yesterday. The resolution bans all further transactions with the property precedingly [as heard] belonging to the ex-Soviet Army gained by Estonian enterprises, companies and private individuals, the Minister of Health, Andres Kork, told the Government's press conference.

The second clause of the resolution obligates all enterprises and individuals who have signed agreements on purchase or lease of ex-Soviet Army property to reregister [as heard] those [word indistinct] at the State Chancellery by 15 August at the latest.

Mr. Kork, who is at the head of a Government commission to investigate into these transactions said that the prosecutor's office so far has already brought [word indistinct] against (?15) companies.

Commission Formed on Problems of Coming Winter

*LD2107193992 Tallinn Radio Estonia in English
1520 GMT 21 Jul 92*

[Text] Estonian Prime Minister, Tiit Vahi, announced at today's press conference that in order to get a survey of next winter's economic situation a governmental commission will be set up to lead the crisis program. The commission will be headed by the Minister of Economy, Olari Taal, and its task is to coordinate the preparations for the winter, to coordinate the storage of fuel, grain, provender and food products, the work of (?boiler houses) and to set up a stabilization fund.

'Moderate Election Bloc' Lists Nominees

*OW2207023192 Moscow BALTFAX in English
2018 GMT 21 Jul 92*

[Transmitted via KYODO]

[Text] "The Moderate" election bloc handed over to the State Election Commission its list of nominees for the election to the State Assembly (Estonian Parliament) on September 20. The bloc nominates 47 candidates in 12 constituencies. The Social Democratic Party leader Marju Lauristin, the Agrarian Centrist Party leader Ivar Raig, Andres Tarand, Liia Hanni, writer Jaan Kross and many others are among them.

Ivar Raig said at a press conference that the presented panel might be seen as "a union of scientists and farmers". He also noted that none of the candidates had occupied "commanding posts in the Communist Party".

After "The Moderate" laid down their program, Marju Lauristin said "they want all those who will vote for us to know that they cast their ballot for a balanced way of development for Estonia".

"The Moderate" bloc consists of the Social Democratic Party of Estonia, the Agrarian Centrist Party, Farmers' Union and other political organizations.

Mexican Ambassador Meets Minister on Timber

*LD2107121492 Tallinn Radio Estonia in English
1520 GMT 20 Jul 92*

[Text] The Mexican Ambassador to Estonia Mr. [?Ricardo Mendes], met in his office the Estonian deputy minister of trade. They discussed the possibility to purchase Estonian timber.

Mexico is immediately ready to buy softwood for the making of 50,000 telephone poles. As Mexico is looking for an alternative to the relatively expensive Finnish paper market it is also interested in Estonian paper and cellulose. In addition the possibilities to cooperate in the fields of chemical and mining industry, tourism, fishing and sea transport were discussed.

Latvia

Russian Supreme Soviet Resolution Criticized

Ploy Suspected

*OW2207015392 Moscow BALTFAX in English
2018 GMT 21 Jul 92*

[Transmitted via KYODO]

[Text] Latvia's Foreign Ministry considers the resolutions adopted by Russia's Parliament in respect to the Baltic states as "a display of a desire to delay the withdrawal of the Russian armed forces".

Russia's Parliament adopted a series of resolutions blaming the Baltic states for "violating the human rights" on July 17.

Latvia's Foreign Ministry issued a statement today, saying that "the very formulation of the issue, the character of discussion, and the adopted documents were unacceptable for Latvia".

The ministry says that the Russian Parliament showed the developments in the Baltic states in the most unfavorable light.

Latvia regards these resolutions as an attempt by "some Russian politicians to show their unwillingness to carry on their dialogue with the Baltic states as equal and independent partners".

The statement says that Russia's position bewilders Latvia and complicates negotiations on all scopes of activities.

Announcement Issued

*LD2207042192 Riga Radio Riga Network in Latvian
1731 GMT 21 Jul 92*

[Text] The Latvian Ministry of Foreign Affairs has issued an announcement in connection with the question on the situation in the Baltic states as discussed at the Russian Federation Supreme Soviet. It says:

On 15 and 17 July this year, the Russian Federation Supreme Soviet discussed the situation in the Baltic republics. The discussion ended with the Supreme Soviet's announcement on human rights in the Baltic states and the adoption of a Supreme Soviet resolution on human rights in the Republic of Estonia.

The formulation of the question, the nature of the discussion, and the adopted documents are unacceptable to the Republic of Latvia as they falsely represent the situation in the Baltic states, accusing them, without reason, of transgressions against human rights.

The Latvian side believes these resolutions will serve to delay the solution of the main problem—the withdrawal from the Baltics of the troops under Russian jurisdiction.

Some Russian politicians have demonstrated their unwillingness on a regular basis to talk with the Baltic states as equal partners and independent sovereign states.

This position is incomprehensible for the Republic of Latvia. It will make our talks with Russia on the entire complex of mutual relations more difficult. So states the announcement from the Latvian Ministry of Foreign Affairs.

EBRD To Help Prepare for Next Winter

*LD2107100892 Riga Radio Riga Network in Latvian
2000 GMT 17 Jul 92*

[Text] The European Bank for Reconstruction and Development is ready to help Latvia to prepare for the next winter. On 17 July, meeting representatives of the Ministry of Industry and Power Engineering, Max Pavlinzen, representative of the European Bank for Reconstruction and Development, announced that the bank is ready to grant Latvia credit amounting to \$25-28 [as heard]. It is envisaged [words indistinct] carry out emergency measures to prepare the Latvian power system, the heat supply system, and the gas service for next winter. It has been mainly envisaged to purchase various spare parts and to realize the program of power thrift, including the purchase of gas and electricity meters.

Former Foreign Minister To Run for President

*OW2207023092 Moscow BALTFAX in English
2018 GMT 21 Jul 92*

[Transmitted via KYODO]

[Text] A former Estonian Foreign Minister, Estonia's Ambassador to Finland Lennart Meri said he had accepted a proposal of the "Isamaa" faction to be nominated as a candidate for the presidency. Lennart Meri said if he was elected his first step would be the regulation of the work of the Foreign Ministry. In his opinion, "Estonia has many young potential diplomats who have won a good reputation in Europe". He says it is necessary to introduce sweeping changes into the work of the ministry.

Lithuania**New Prime Minister Aleksandras Abisala Appointed****Fighting Erupts**

*OW2107142192 Moscow BALTFAX in English
1351 GMT 21 Jul 92*

[Transmitted via KYODO]

[Text] The Lithuanian parliament at its current session this Tuesday [21 July] is expected to approve the candidate to the post of the republic's new prime minister. Vytautas Landsbergis, head of the Lithuanian Supreme Council, proposed earlier that Aleksandras Abisala, a minister without portfolio in the Vagnorius government, become head the republic's government, thereby turning him into the most probable candidate to the prime ministerial office.

In the meantime, the BALTFAX correspondent reports from Vilnius that in the first 30 minutes of the parliament's session this morning the "mounting passions" became so intense that the parliamentary session had to be adjourned. [ITAR-TASS in English at 1357 GMT on 21 July in a similar report adds: "The conflict emerged after a number of parliamentary groups abandoned the session demanding police to secure order both outside and inside the building."] The picketers at the entrance to the parliament building who had come there on the call of the Workers' Union and Sajudis' Kaunas division threw earth at and manhandled several delegates of the parliament leftist factions.

In their opening statements at the parliament session this morning the deputies who had been subjected to harassment qualified the incidents as "pressure rendered on them in anticipation of the voting re new premier's appointment". The chairman of the parliamentary commission for economics, Kazimieras Anatanavicius, and deputy Vidmante Jaskityte expressed the vote of no confidence to the republic's chairman of Supreme Council Vytautas Landsbergis. Bronislavas Ginzelis, a deputy representing in parliament the Lithuanian Democratic Labor Party, characterized the developments as "a fascist putsch", asserting that Mr Landsbergis became "the leader of the resurrecting fascism".

Meanwhile, Algirdas Patackas, a deputy representing the parliament's rightist faction, assaulted the leftist Rimvidas Valatka "kneeling him down". Following the melee and harassment, the deputies of the parliament leftist faction demanded that the Lithuanian minister of internal affairs immediately come to the parliament building together with the building's chief of security and a representative of Lithuania's Procurator General.

Justas Paleckis, a deputy of the Lithuanian parliament, in his early morning live radio address blame Aleksandras Abisala for "arrogance, conceit and disposition to conflicts". Mr Paleckis emphasized that the same features were characteristic of the republic's ex-premier, Gediminas Vagnorius.

Justas Paleckis maintained that "the premier's post could as well be claimed by a more unifying person".

Earlier, on July 14, the deputies of the Lithuanian parliament passed a vote of no confidence to the Vagnorius government, accusing its head of breaching the legislation of the Lithuanian Republic, the rightist delegates abstaining from voting. Mr Vagnorius and the members of his Cabinet continued in their duties until July 21.

Abisala Addresses Parliament

LD2207015592 Vilnius Radio Vilnius
International Service in Lithuanian 2100 GMT
21 Jul 92

[Report on Prime Minister Aleksandras Abisala's address to parliamentary deputies in Vilnius on 21 July by announcer Kavolis; Abisala's remarks are recorded]

[Text] [Kavolis] Today the Lithuanian parliament voted for the country's new prime minister. Aleksandras Abisala became the head of the fourth government. Addressing the parliament deputies prior to the vote, the new prime minister presented directions for future action.

[Abisala] We have one goal: to stabilize the situation; to assign, as soon as possible, a new government which can begin to act; and to attempt to find a common language, both among ourselves and with the government.

As I have already mentioned, the fact that there is a very short time for this government to act—whoever is appointed its prime minister—defines its manner of acting as well as its principal policy characteristics; that is, to maintain a strategic direction of reform without effecting a reform of principal reforms and without changing its direction, and not to make changes that would cause a delay and could again be changed following the election of a new Seimas.

The principal task is to maintain stability and to allow as little deterioration as possible in the economic, financial, and social situation. Moreover, it must also be to carry on reform at the same pace, and if possible, at an even faster pace.

[Kavolis] According to Aleksandras Abisala, the introduction of the litas and the improvement of tax policy are the first tasks for the new cabinet.

[Abisala] Among the actual tasks immediately awaiting the government would be a verification and final preparations to introduce the litas. In my estimation, we should start this as soon as technical preparations are in place, since the conditions created by Russia demand this. This, however, is the prerogative of the Litae Committee; these matters will be deliberated. The government will make all efforts to bringing this about as soon as possible.

According to my understanding, the second task—as a matter of fact, I mentioned this to the Budget Commission—is to first of all clarify among ourselves the tax system which is in effect, to clarify among ourselves how the separate taxes take effect and what is yielded in their sum total, and to try to set it in order.

This job must be completed before the 1993 state budget is to be prepared and deliberated. Of course, I will not propose any kind of ready recipes, but it seems to me that there is no area in which taxes can be increased.

[Kavolis] The new head of the Lithuanian Government requested a few weeks time during which his government can propose an action program on how to continue the economic reform in Lithuania.

[Abisala] Without a doubt, at this time I am neither able nor willing to present any program since it would be inexact and approximate, consisting only of ideas. Therefore, I ask that the new government be given several weeks to at least consult with experts, deputies, along with whoever else you desire, and to present an action program, not a political program but an action program.

[Kavolis] However, more important than the economy at this time is the problem of agriculture, Aleksandras Abisala told the deputies.

[Abisala] Ministers must act as independently as they are able; my duty is to create the conditions for that. Moreover, one of the most important conditions is for the policy to be clarified among ourselves so that the main directions can be projected and an agreement can be reached. The ministries, with their ministers at their head, can later implement that policy in a concrete manner.

I think that such a discussion on agriculture should come first since the agricultural situation is probably more painful at this time than that of industry. Truthfully, as Deputy Paulauskas stated, the land and the tilling of the land are not just physical and economic values, but rather, moral values in Lithuania.

[Kavolis] Aleksandras Abisala noted that his office will consult with various political forces. Speaking about the new government's work style, Aleksandras Abisala pointed out that the Cabinet of Ministers must execute a common policy.

[Abisala] There is no doubt that without wide-ranging consultations, without the help of experts, without coordination and negotiation with the Supreme Council and various factions, whatever political tendency they may represent, it will be difficult for the government to act. It would be nice if we could renounce the battle of personalities and switch over to a war of ideas. That way we could at least clear up among ourselves the issues that separate the deputies who espouse different positions; we could try to lessen the differences, eliminate them, or at least resolve them through voting while being clearly aware of what we are voting for.

I will invite many government members from the ranks of the current ministers. It could almost be said that I will ask all the ministers to work. I have already stated this, perhaps without the same urgency. I also think that four or five individuals who have not previously worked in the government should be approved.

In my opinion the government structure should be as follows: a prime minister and a deputy prime minister who can substitute for one another and informally divide their areas of activity. This would undoubtedly encourage a certain exchange of interests and make ministers totally and fully responsible for their area of activity.

These words have been spoken often. I have no guarantee that I will succeed in implementing them in practice; however, I will make the effort to do so. Perhaps I will be assisted by such a structure, when the minister...[changes thought] The entire government is above the minister and, having been thrown into the water, he must learn how to swim whether he wants to or not. For the government to work that way, however, it is imperative that we have a very clear formulation and clarification of common policy. It seems to me that one of the basic shortcomings of the previous government was the fact that a common policy was not discussed and clarified among themselves; it was carried out by each one separately with a sort of fear, not knowing whether it would please or not. It was therefore conducted without anyone making any independent decisions. The prime minister was criticized for the same [word indistinct].

[Kavolis] Former Prime Minister Gediminas Vagnorius did not agree with the Lithuanian Bank administration. Deputies asked Aleksandras Abisala how the new government was preparing to resolve the prolonged conflict.

[Abisala] I think the main thing is for the government to begin work and to continue while keeping in mind three terribly difficult matters: the introduction of the litas; the reorganization of the Bank itself, separating the emission bank from the commercial bank; and putting the accounting in order with the ruble zone states or the former Soviet Union republics. There must be an unusual common action between the Bank and the government. I am therefore making an urgent request to

create an opportunity for the new prime minister, whoever he may turn out to be [words indistinct], to immediately present the candidacy of a new bank administration chairman—immediately!

[Kavolis] That was Aleksandras Abisala, the new prime minister of the Republic of Lithuania.

Further on Abisala's Work Outline

OW2107210392 Moscow BALTFAX in English
2018 GMT 21 Jul 92

[Transmitted via KYODO]

[Text] Before his appointment Premier Aleksandras Abisala laid down principles of his government's work at today's session of Parliament.

"My major goal is to make reform go its way without sweeping turns", - the Premier was quoted as saying. "The main objective of the new government is to provide stability and prevent the economic and financial situation from worsening, and reform from slowing down".

The then contender for the Premier's post announced his intention to "complete the preparations for the introduction of the lit and introduce it as soon as it becomes technically possible".

The second stage of the new government's activities will be changing the taxation policy. Aleksandras Abisala says that "further raising of taxes is impossible". He plans to submit his proposals to the Parliament before it discusses a draft budget for 1993.

The Premier intends to enforce the new system of administrative division of Lithuania and regulate the activities of the state security bodies, particularly the Homeland Ministry. In his opinion, the ministry must be legally separated from the army. He also supports the idea of establishing a Constitutional Court in Lithuania.

Speaking on Lithuania's foreign policy, Aleksandras Abisala said that it is the East that will be given the major priority.

Mr. Abisala said that, besides Premier, the new government will include only one vice premier (instead of three ones at present) and ministers, "entirely responsible for their scopes of activities". Aleksandras Abisala is going to have two or three ministers without portfolio to supervise higher education and science, provide government's cooperation with local authorities and Parliament, and coordinate foreign policies.

Mr. Abisala said he would like to have four or five new members in his team, but did not specify at what posts. Gediminas Vagnorius, the ex-Premier, is not among them, but Mr. Abisala said that "it did not mean that his name will never appear in the panel again".

Aleksandras Abisala Appointed

LD2107162292 Moscow *ITAR-TASS in English*
1538 GMT 21 Jul 92

[By ITAR-TASS correspondent Kazis Uscila]

[Text] Vilnius July 21 TASS—Aleksandras Abisala was appointed Lithuanian prime minister by the republican parliament on Tuesday [21 July].

Out of 102 parliamentarians present at the session, 67 voted for him, five against and 22 abstained.

Abisala asked the parliament to include in its Thursday agenda the appointment of the new Government.

Abisala Profiled

LD2107211392 Vilnius *Radio Vilnius Network*
in Lithuanian 1800 GMT 21 Jul 92

[Text] We acquaint you with Aleksandras Abisala, the new prime minister of the Republic of Lithuania.

Aleksandras Abisala was born on Dec 28, 1955, in the Komi Autonomous Soviet Republic, the city of Inta, into a family of deportees. After returning to Lithuania in 1978, he graduated from the Physics Department of Vilnius University.

He was associated with the Kaunas Polytechnical Institute and the Radio Measurement Technology Scientific Research Institute. He has defended the Physics and Mathematical Sciences candidate's dissertation. He has published over 30 scientific papers. He was elected a member of the Sajudis Seimas Council. In 1990 he was elected Supreme Council deputy. He occupied the speaker's post for one year. On Jan 26 1991, he was appointed minister without portfolio.

His wife, Nijole, is an [indistinct] engineer; his sons [words indistinct].

Cabinet Appointments Proposed

OW2207141292 Moscow *BALTFAX in English*
1350 GMT 22 Jul 92

[Transmitted via KYODO]

[Text] Lithuania's newly appointed (July 21) prime minister Aleksandras Abisala has presented to the parliamentary commissions for consideration his proposed list of the Cabinet of Ministers of the Lithuanian Republic.

Deputy prime minister - (no candidate),

Minister of economics (the same) - Albertas Simenas,

Minister of energetics (the same) - Leonas Asmantas,

Minister of finance - (no candidate),

Minister of home guard (the same) - Audrius Butkevicius,

Minister of culture and education (the same) - Darius Kuolis,

Minister of forestry (the same) - Rimantas Klimas,

Minister of trade and material resources (no candidate since the minister is slated for dissolution),

Minister of communications and informatics [title as received] (new appointment) - Prof. Gintautas Zintelis, Kaunas Technical University,

Minister of social security - (no candidate since the minister is slated for dissolution),

Minister of construction and urbanization (the same) - Algimantas Nasvitis,

Minister of mass transit (the same) - Jonas Birziskis,

Minister of health (the same) - Jozas Olekas (The ministry is to be combined with the ministry of social security),

Minister of foreign economic relations (the same) - Vitenis Aleskaitis,

Minister of justice (the same) - Vytautas Pakalniskis (Prior to the appointment, Mr Pakalniskis submitted his resignation from the posts of the republic's vice prime minister and the minister of justice, his third post being chairman of the parliamentary privatization commission),

Minister of foreign affairs (the same) - Algirdas Saudargas,

Minister of internal affairs (the same) - Petras Valiukas,

Minister of agriculture (the same) - Rimvidas Survila,

Minister without portfolio (new appointment) - Leonas Kadziulis, the specialist in agriculture. He holds the post of deputy chairman of the republic's commission for sciences. Mr Kadziulis will be involved with the issues of science and education.

Second minister without portfolio (new appointment and new post) - Stasis Kropas, current chairman of the parliamentary commission for local administrations. He will continue to be involved with these issues at his new appointment.

Third minister without portfolio (new post, no candidate). The new minister will be involved with the issues of the republic's security, defense, and talks with Russia.

Leader Change Criticized by Democratic Party

LD2107093892 Vilnius *Radio Vilnius Network*
in Lithuanian 1:00 GMT 20 Jul 92

[Text] ELTA has received a statement from the Lithuanian Democrats' Party, which stresses that the totally unfounded change of the government leader and the violation of the constitutional principles for government formation manifestly demonstrate that a real threat is being aroused against an uninterrupted sequence of

economic reforms, and that the state is being deliberately pushed toward an unpredictable future.

Forces espousing leftist tendencies are deliberately ruining economic reform. A financial and economic blockade organized by the Russian banks is underway. Feelings of enmity have increased among Russian troops stationed in Lithuania, the statement stresses.

The Democrat Party Presidium points out that the changing of the Government leader during this difficult time for Lithuania must be assessed as treason. It strives to stop economic reforms and the entire blame for the consequences falls to the new, pro-communist majority.

Grachev To Deploy 1,500 Servicemen for Training

LD2007220292 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 20 Jul 92

[Text] Russia will not send new recruits to the military units deployed in Lithuania, except for 1,500 servicemen who will be trained at the Jonava training center, reported Russian Defense Minister Pavel Grachev. The above stance adopted by Russia was revealed in a letter by Pavel Grachev which was handed to Lithuanian Defense Minister Audrius Butkevicius by Lieutenant-General Beliaev, chief of staff of the Airborne Assault Troops of the Russian Armed Forces.

Audrius Butkevicius asked Lieutenant General Beliaev to supply regular information about the Russian servicemen who are having a holiday, going on a holiday, or passing through the Lithuanian state border, so that recruits of the Russian armed forces are not sent into Lithuania as servicemen returning back from holidays.

Vaisvila Responds to Grachev

LD2107220392 Vilnius Radio Vilnius Network in Lithuanian 0700 GMT 21 Jul 92

[Text] The Government Information Bureau reports: Deputy Prime Minister Zigmas Vaisvila has sent a telegram to General Grachev, defense minister of the Russian Federation.

The telegram states that the Lithuanian Ministry of National Defense has received a letter from the commander of the Russian airborne forces, Colonel Podkolzin, asking for permission to introduce 1,500 recruits for five months to the 242d training center of the airborne troops in Jonava. This letter is based on an alleged directive to stop the introduction of recruits into the Baltic states, with the exception of the above-mentioned Jonava training center.

In his message, the deputy prime minister officially seeks confirmation of the information contained in that letter.

Defense Minister Grachev is also reminded that he is failing to fulfill a protocol, signed by the Russian delegation, on the withdrawal of the Russian Federation's army from Vilnius. Fulfillment of this protocol and the

solution of other problems concerning the withdrawal of the Russian army from Lithuania will guarantee businesslike relations between the governments of the Russian Federation and of the Republic of Lithuania.

Russian Supreme Soviet Resolution Criticized

LD2107203892 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 19 Jul 92

[Excerpts] Unfortunately, positive changes in the relations between Lithuania and Russia failed to take place this week. Recently a bankers' delegation returned from Moscow empty handed. Also, despite the appeal to the Russian Federation by the Helsinki summit to immediately accelerate the withdrawal of its troops from the Baltic states, the Russian side is clearly not in a hurry, at least at the moment, to (?respond) to this demand. As though in revenge for the uncompromising stance of the Baltic leaders on the issue of the troops' withdrawal, a number of decisions concerning human rights in the Baltic states were adopted speedily by the Supreme Council of the Russian Federation. In all fairness it must be pointed out that these documents are mainly concerned with Latvia and Estonia. The regulations for granting citizenship as defined by the legal acts are rather more strict for the nonindigenous population in these countries in comparison with the same laws of the Republic of Lithuania. Yet, nevertheless, all the three Baltic states were accused of the violation of rights and freedoms of ethnic Russians. [passage omitted]

The documents adopted by the Russian legislative bodies cause bewilderment: The Baltic states region is one of the quietest of the former Soviet Union, and to place them along with the Dniester region, Karabakh and the South Ossetia, where human rights are being violated, means that one does not know anything about the true existing situation. Why cite the Dniester region when the black 100-style rally had been raging outside Ostankino for a whole week in Moscow. Calls to stage pogroms were heard. About 20 Russian newspapers bristled with anti-Semitic attacks—two of them, PRAVDA and SOVETSKAYA ROSSIYA, strange as it may seem, have been receiving government subsidies from the budget of Russia until this day.

Yet, against the background of this orgy, the Russian parliament speaks about nationalism in the quiet Baltic states. [passage indistinct]

Sergey Adamovich Kovalyev, chairman of the Russian Human Rights Committee, said that after the events outside Ostankino it was proposed to the Russian Parliament to adopt a resolution without delay on fighting anti-Semitism. However, through the efforts made by Baburin, Akyutich, Isakov and others supporting them, this issue was recognized as of no great priority and, therefore, the discussion of this issue was postponed until the autumn.

This is how the rights of minorities are handled by the esteemed Russian deputies. According to the point of

view of some observers, the Supreme Soviet of Russia adopted these documents on the position of the nonindigenous population in the Baltic states not so much because of the nonindigenous population itself, but rather more in the interests of the inside political coalition fight. In other words, in order to strike yet another blow, only this time from another side, to Yeltsin and those closest to him who are known to have a long-standing liking for the Baltic people.

As they say, comment here is superfluous.

Landsbergis Comments on Talks With Russia

PM2007122992 Moscow ROSSIYSKAYA GAZETA
in Russian 14 Jul 92 First Edition p 7

[ITAR-TASS report: "Economy: Moscow Is Radically Changing Its Relations With Vilnius"]

[Text] Moscow is radically changing its relations with Vilnius. That was the conclusion drawn by V. Landsbergis, chairman of the Lithuanian Supreme Council, in his speech at a plenary session of the parliament, commenting on the results of the meeting between Stankevicius, head of the Lithuanian state delegation for talks with Russia, and Russian Prime Minister Yegor Gaydar. He informed deputies that it proved possible at the meeting to secure preferential terms for procuring oil from Russia for the current month alone and that, as of August, it will evidently be necessary to buy it at world prices, adding that the Russian state "does not guarantee payment of any the debts incurred by its cities, oblasts, regions, and individual enterprises." In this context the head of the Lithuanian parliament concluded that "Russia is not complying with its treaty with Lithuania, but is violating and unilaterally revising it, forcing us to engage in this kind of revision too." "This kind of situation is actively driving us out of the ruble zone," V. Landsbergis concluded.

Russian Help Urged in Solving Medininkai Case

LD2007224992 Vilnius Radio Vilnius International
Service in Lithuanian 2100 GMT 18 Jul 92

[Excerpt] The 31 July anniversary of the tragedy at the Medininkai Border Control Post, is approaching, however, the names of the criminals have not yet been given.

Algimantas Astaska, senior investigator of the Crime Investigation Department of the General Procuracy of Lithuania, thinks that it will eventually be possible to conclude the case, provided that the Procuracy of Russia agrees to help.

In his opinion, should Lithuania and Russia sign a legal cooperation agreement, the murderers of the seven Lithuanian officials, will be brought to court. In the event this does not take place, it would be pointless to continue the search for them.

However, for the time being, Russian Minister of Justice Nikolay Stepashin failed to reply several times last week

to an invitation to come to Vilnius to sign the legal cooperation agreement between Lithuania and Russia, which has already been initialled.

Senior Investigator of the Lithuanian Procuracy Algimantas Astaska writes in RESPUBLIKA that he has succeeded in obtaining indisputable evidence that prior to the attack on the Medininkai Post, Riga OMON [special purpose militia detachment] Chief Cheslav Mlynik and his Deputy Sergey Parfenov were issued special shot-silencer equipment and special bullets from the USSR Interior Ministry warehouse in Vilnius. It has also been established that on the night of the attack, OMON troops from the special Delta Group visited Vilnius, dressed in the same type of clothing as the Medininkai murderers. [passage omitted]

Legal Assistance Agreement Signed With Russia

LD2107214692 Vilnius Radio Vilnius Network
in Lithuanian 1800 GMT 21 Jul 92

[Text] An interstate agreement on legal assistance and legal relations in civil, family, and criminal cases, was signed between the Republic of Lithuania and the Russian Federation at the government guest house in Vilnius today.

Russia is signing the first such agreement with a country with which it had formerly comprised one state, Nikolay Fedorov, the Russian Federation's justice minister, noted. By virtue of this, it will have great historical significance. I think, Fedorov observed, that we will manage to defend our citizens' rights, because this document minimalizes the possibility of malice and blocks the path of possible unprofessionalism in interstate affairs and political provincialism.

The minister expressed the hope that the agreement will help to create civilized bilateral and modern relations.

Lithuanian Justice Minister Vytautas Pakalniskis described the signing of the agreement as an act of great political significance. I think that it will remove the basis for various political speculations. However, we are also interested in practical matters. We must ensure the property rights of our people who reside in the neighboring country. We must also make possible the search for criminals who have perpetrated crimes in Lithuania, the implementation of decisions concerning [word indistinct] searches, care, and other agreements. Following the ratification of this agreement, ordinary legal assistance and cooperation relations between the two states should be settled, Vytautas Pakalniskis declared. [Vilnius Radio in English at 2300 GMT on 21 July in a similar report adds: "The agreement should be ratified by both parliaments and will come into force following a 30 day period after the ratification papers are exchanged."]

Government To Command Defense Forces*LD2107194592 Tallinn Radio Estonia in English
1520 GMT 21 Jul 92*

[Text] The Council of Defense of Estonia passed a decision that the defense forces are operationally commanded by the Government. The announcement was made by the Estonian Prime Minister, Tiit Vahi, at a press conference yesterday.

The Estonian defense chiefs and organizations of state security are, according to the Constitution, commanded in peacetime by the commander-in-chief of the defense forces. However the latter is to be appointed by the president of the republic, who has not been elected yet.

At a closed meeting of the government also problems connected with command over the defense forces were discussed. As told by the government leader any connection of the defense troops with pre-election campaign was considered inadmissible. The government underlined the need to secure order in defense forces and emphasized the importance of relationships of subordination [as heard] as well as discipline within military forces.

Problems under discussion included also those concerning the material, technical furnishing of the defense force.

Military Meeting With Russia Held in Vilnius*OW2007211492 Moscow BALTFAX in English
1755 GMT 20 Jul 92*

[Transmitted via KYODO]

[Text] A meeting of Lithuanian and Russian military experts behind closed doors opened in Vilnius Monday [20 July]. It focuses on the withdrawal of Russian troops from Lithuania.

A group of Lithuanian experts is led by Lithuanian Deputy Foreign Minister Gediminas Serksnys, a group of Russian experts - chief adviser of the Russian Foreign Ministry's information and analysis department Rudolf Alexeyev.

UN Development Program Officials Visit Vilnius*LD2107094392 Vilnius Radio Vilnius Network
in Lithuanian 1300 GMT 20 Jul 92*

[Text] Dav Jorgen Lisner, representative of the United Nations Program For Development to Lithuania, and Lyn Vol to Latvia, who are visiting Vilnius, today met with members of the Supreme Council Foreign Affairs Commission.

The UN development programs are preparing to establish their offices in all Baltic countries. They will concern themselves with supplying assistance to us, Vidmantas Povilionis, chief of the Foreign Affairs Commission, told the ELTA correspondent.

The legations will single out the principal directions that are the most expedient for the provision of such assistance.

Plans exist for forming joint work groups, in conjunction with the Baltic states' governments. The legations will prepare support programs and will also encourage local enterprises to do likewise.

Plans exist for the formation of a Baltic Fund which will concentrate the funding from various countries for development of the Baltic countries.

Procurator Accuses Deputies of Illegal Decrees*LD2007222492 Vilnius Radio Vilnius International
Service in Lithuanian 2100 GMT 18 Jul 92*

[Text] Arturas Paulauskas, general procurator of Lithuania, in a RESPUBLIKA interview, declared that Supreme Council deputies had often been provided information regarding illegal government decrees or resolutions. However, this information had not been examined.

According to the general procurator, the Procuracy found itself in an ambiguous situation—we know that a resolution is illegal, but, it continues to remain in effect, as the Supreme Council has not abolished it. The general procurator observed that there is also no mechanism in existence for abolishing these illegal documents. A proposal has been submitted to parliament to grant the Procuracy a right to directly approach the Supreme Court regarding the abolition of government acts.

According to Arturas Paulauskas, currently, the government, being aware that the deputies do not do anything, makes new, illegal documents. However, when we approach the Supreme Council and announce that the government is in violation of the laws, the prime minister, very simply, accuses us of playing political games.

In refuting the prime minister's accusations, directed against the Procuracy, that it is inactive in investigating economic crimes, the General Procurator observed to the daily RESPUBLIKA that during the first half of the current year the procuracies had investigated 126 economic crimes, 83 cases were turned over to the court, and 86 citizens received sentences. Another matter, noted Arturas Paulauskas, rests within the fact that the police must engage in the clarification of economic crimes. Its function is to locate the plunderers and the thieves. The general procurator expressed his regret that the perpetrators of dangerous economic crimes and the [word indistinct] criminals frequently remain unpunished.

New Sociopolitical Movement Formed*LD1907231392 Vilnius Radio Vilnius Network
in Lithuanian 0900 GMT 19 Jul 92*

[Summary] A new sociopolitical movement, the Movement for Social Justice, has been established in Lithuania. This took place in Talaskoniai hamlet of Pasvalys Rayon, where a conference of the Lithuanian Handicapped Association is in its second day. The movement, as noted by its founders, should unite about 400,000 individuals. Writer Jonas Marcinkevicius was elected chairman of the movement.